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LEGISLATIVE HISTORY

Jan.	3, 1961	Public Law 87-832 H. R. 946 House Agriculture Committee, H. R. 946 as introduced.
Mar.	19, 1962	House Agriculture Committee reported H. R. 946 favorably.
Mar.	20, 1962	House Agriculture Committee reported H. R. 946 favorably. (See also H. R. 946.)
Mar.	28, 1962	House Agriculture Committee reported H. R. 946 favorably. H. R. 946 as reported.
Apr.	2, 1962	House passed H. R. 946 as reported.
Apr.	3, 1962	H. R. 946 was referred to the House Agriculture and Forestry Committee. H. R. 946 as introduced.
Oct.	1, 1962	Senate Committee reported H. R. 946 without amendment. S. Report No. 972. H. R. 946 as reported.
Oct.	7, 1962	Senate passed H. R. 946 without amendment.
Oct.	25, 1962	Approved. Public Law 87-832.

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LEGISLATIVE HISTORY

H. R. 946
Public Law 67-832

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INDEX AND SUMMARY OF H. R. 946

Jan.	3, 1961	Rep. Downing introduced H. R. 946 which was referred to the House Agriculture Committee. Print of bill as introduced.
Mar.	19, 1962	House subcommittee ordered H. R. 946 reported.
Mar.	22, 1962	House committee voted to report (but did not actually report) H. R. 946.
Mar.	26, 1962	House committee reported H. R. 946 with amendments. H. Report No. 1502. Print of bill and report.
Apr.	2, 1962	House passed H. R. 946 as reported.
Apr.	3, 1962	H. R. 946 was referred to the Senate Agriculture and Forestry Committee. Print of bill as referred.
Oct.	1, 1962	Senate committee reported H. R. 946 without amendment. S. Report No. 2219. Print of bill and report.
Oct.	2, 1962	Senate passed H. R. 946 without amendment.
Oct.	15, 1962	Approved: Public Law 87-832.

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Mar.	19, 1962	House subcommittee ordered H. R. 946 reported.
Mar.	22, 1962	House committee voted to report (but did not actually report) H. R. 946.
Mar.	26, 1962	House committee reported H. R. 946 with amendments. H. Report No. 1502. Print of bill and report.
Apr.	2, 1962	House passed H. R. 946 as reported.
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Oct.	1, 1962	Senate committee reported H. R. 946 without amendment. S. Report No. 2219. Print of bill and report.
Oct.	2, 1962	Senate passed H. R. 946 without amendment.
Oct.	15, 1962	Approved: Public Law 87-832.

DIGEST OF PUBLIC LAW 87-832

DISASTER LOANS TO OYSTER PLANTERS. Amends Sec. 321 (b) of the Consolidated Farmers Home Administration Act so as to authorize disaster loans to oyster planters who have suffered substantial production losses as a result of a natural disaster that has created a need for credit which cannot be met for temporary periods by other established sources.

EMERGENCY LOANS TO OYSTER PLANTERS

U. S. DEPARTMENT OF AGRICULTURE
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LEGISLATIVE REPORTING

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON
AGRICULTURE AND FORESTRY
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
SECOND SESSION

ON

H.R. 946

AN ACT TO EXTEND TO OYSTER PLANTERS THE BENEFITS
OF THE PROVISIONS OF THE PRESENT LAW WHICH PROVIDES
FOR PRODUCTION DISASTER LOANS FOR FARMERS
AND STOCKMEN

JULY 9, 1962

Printed for the use of the Committee on Agriculture and Forestry



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1962

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EMERGENCY LOANS TO OYSTER PLANTERS

MONDAY, JULY 9, 1962

U.S. SENATE,
SUBCOMMITTEE ON AGRICULTURAL
CREDIT AND RURAL ELECTRIFICATION OF THE
COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D.C.

The subcommittee met, pursuant to call, at 10:05 a.m. in room 324, Old Senate Office Building, Senator Spessard L. Holland (chairman) presiding.

President: Senators Holland (presiding), Ellender, Talmadge, and Boggs.

Senator HOLLAND. The subcommittee will come to order. The hearing this morning is on H.R. 946, an act to extend to oyster planters the benefits of the provisions of the present law which provides for production disaster loans for farmers and stockmen.

I ask that the bill be made a part of the record.

(H.R. 946 follows:)

[H.R. 946, 87th Cong., 2d sess.]

AN ACT To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out "farmers or ranchers" and inserting "farmers, ranchers, or oyster planters" and by striking out "farming or ranching" and "inserting "farming, ranching, or oyster planting".

Passed the House of Representatives April 2, 1962.

Attest:

RALPH R. ROBERTS.

Clerk.

Senator HOLLAND. We have under date of April 25 a letter from Secretary Freeman to Senator Ellender, chairman of the full committee, which serves to report the attitude of the Department of Agriculture relative to this bill. I ask that said letter be incorporated in the record as a part hereof.

We also have, under date of July 6, a letter to Senator Ellender from the Acting Secretary of the Interior, giving the recommendations of the Department of the Interior relative to this bill. I ask that said letter be incorporated in the record as a part thereof.

(The two letters referred to follow:)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 25, 1962.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR SENATOR ELLENDER: This is in response to your request for a report on H.R. 946, a bill to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

Under the provisions of subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961, the Farmers Home Administration is authorized to make emergency loans to farmers and ranchers in areas that have suffered substantial production losses as a result of a natural disaster that created a need for agricultural credit which cannot be met for temporary periods by other established sources. This authority has been interpreted to authorize loans for the production of crops, livestock, and livestock products rather than the production of oysters or other marine life or products. For this reason, loans have not been made in the past for purposes related to the planting, cultivation, and growing of oysters. H.R. 946 would amend the emergency loan provisions of the Consolidated Farmers Home Administration Act of 1961 to authorize loans to oyster planters.

This Department believes the Department of the Interior would be in a better position to make a recommendation as to whether Government loans should be made to oyster planters.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 6, 1962.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR SENATOR ELLENDER: Your committee has requested a report on H.R. 946 to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

We are sympathetic to the objectives of this bill.

Oyster planters are generally comparable to farmers or stockmen since they plant young oysters upon privately owned or leased grounds, maintain and protect them until they grow to marketable size, harvest them, and send them to market. In some cases, oyster planters maintain brood stocks for production of seed oysters. In other cases, brood stocks are maintained in public reserves and the resulting seed oysters are purchased by private planters.

Oyster planters have qualified in certain instances for agricultural loans, but have not been included under the provisions of the present law which provides for production disaster loans. H.R. 946 would extend the benefits of the provisions of the present law concerning production disaster loans to include oyster planters.

Well-documented disasters, which occur periodically, have seriously affected the production of oysters. Causes of these disasters include storms, hurricanes, floods, diseases, and unusual predation. In these instances oyster planters have needed credit but such credit has not been readily available from commercial banks, cooperative lending agencies, or other responsible sources. In the circumstances, this bill will fill a need that exists.

We are advised that while there would be no objection to the presentation of this report from the standpoint of the administration's program, the Bureau of the Budget believes that the provisions of H.R. 946 should be considered in the light of the Department's recommendations to the House Committee on Merchant Marine and Fisheries with respect to H.R. 9375. The Bureau of the Budget also questions whether making such an authorization to the Secretary of Agriculture

is consistent with the general intention of section 6(a) of the Fish and Wildlife Act of 1956, which called for transferring to the Secretary of the Interior of all functions of Federal agencies relating primarily to the development, advancement, management, conservation, and protection of the commercial fisheries.

Sincerely yours,

KENNETH HOLUM,
Acting Secretary of the Interior.

Senator HOLLAND. We are glad to have with us Congressman Downing.

We would be happy to hear your statement on this bill.

STATEMENT OF HON. THOMAS N. DOWNING, REPRESENTATIVE IN CONGRESS FROM THE FIRST CONGRESSIONAL DISTRICT OF VIRGINIA

Mr. DOWNING. I appreciate this opportunity.

My name is Thomas N. Downing and I represent the First Congressional District of Virginia, which extends along the Atlantic coastline from Maryland on the north to North Carolina on the south.

We have a great many oyster and other seafood firms in my district, and we are very proud of them. I am sorry to say that the oyster industry is on the decline due to numerous factors, including the MSX virus which has attacked us during the past 5 or 6 years and ruined beds.

The purpose of this bill, H.R. 946, which I sponsored, is simply to amend the Consolidated Farmers Home Administration Act of 1961 so that it will include oyster planters as well as farmers for the purposes of obtaining an emergency loan during disaster periods. This came up originally when Hurricane Donna swept up the coast. I know the chairman is familiar with that terrible storm. The storm came up the coast and swept over the oyster beds, covering up thousands of acres of valuable beds, swept on into the inlands and ruined crops.

Now, the farmers could obtain emergency loans from FHA to help them restore and rehabilitate the crops. But for some reason the act did not include oyster planters. The oystermen were in a difficult situation. They couldn't obtain any loans whatsoever. The FHA said that under the broadest interpretation they couldn't be included. Finally the Small Business Administration came to the rescue of this industry, and they did, through almost extra-legal proceedings, grant emergency loans to these oyster planters so that they could rehabilitate their beds.

There is nothing essentially different in an oysterman and a farmer. The oysterman pants his crop; it is in a rather perilous position because of tides and winds and storms, but he plants it, produces it, and harvests it just like a farmer does. For all practical purposes he is a farmer of the sea.

I brought this before the House Agriculture Committee, and it unanimously passed this bill, which would simply amend the Consolidated Farmers Home Administration Act so that an oysterman will be a farmer for the purposes of obtaining emergency loans.

Senator HOLLAND. May I ask whether or not the Small Business Disaster Loans have proved to be adequate to meet this difficult situation for your oyster producers?

Mr. DOWNING. It is extremely hard to qualify under the Small Business Administration for a loan even in disaster. They did relinquish some of their requirements, and the act afforded them some help. The Small Business Administration told these people, however, that this was just a temporary thing, that they couldn't go on making emergency loans to them, that they would have to seek assistance elsewhere.

Senator HOLLAND. Do you know how many loans were made to oystermen along the eastern maritime front in Virginia?

Mr. DOWNING. No, sir; I do not. Perhaps some of the other witnesses would have that information.

Senator HOLLAND. Do you know whether similar loans were made to any other area, oystermen in any other areas, or people engaged in maritime industries along the coast by the Small Business Administration?

Mr. DOWNING. Yes, sir. They were made all up and down the Atlantic coast after Hurricane Donna.

Senator HOLLAND. To what groups besides the oyster planters?

Mr. DOWNING. To my knowledge it was only oystermen, but perhaps shrimp planters also obtained assistance; I do not know.

Senator HOLLAND. I am not familiar with the clam industry or the lobster industry or with several others which I know operate along the Atlantic seaboard. Does the Small Business Administration make loans to any of those industries, disaster loans?

Mr. DOWNING. No, sir; they did make loans of this type a number of years ago, and then decided that it was stretching the act under which they operated too far, and they ceased making loans. Then when Hurricane Donna came in and these sea crops were wrecked, the SBA did open it up for a limited period to receive applications for loans. Now, that extended to all industries which were affected by the storm on the coast. And I would imagine that it would apply to all of the seafood industries, including shrimp.

Senator HOLLAND. Has there been any need for such loans following the recent storm along the Atlantic this year?

Mr. DOWNING. Yes, sir. The recent storm affected these planters severely. And we are going into another hurricane period at the end of this summer, and I am awfully anxious to get this amendment through in time to be of some help to these people if they need it. Oystermen—or shall we say, watermen—as the Senator knows, are extremely reliable people. They pay back their loans as do the farmers. The record will show that repayment is good.

Senator HOLLAND. There is no doubt whatsoever about the rugged nature of the people who engage in that extremely hazardous and rough business, rough from the standpoint of physical exposure and hardship. The only question that I as one Senator would see in this matter would be the question of policy involved, as to whether an agency set up exclusively for those engaged in agriculture, directly in agriculture, should be extended to include the maritime industries, because I can easily see that if extended to one class of maritime industries there would be requests and perhaps denials for similar extensions to other groups in the maritime industries and even the Great Lakes industries as well.

It seems to me that the question involved, therefore, is not the admitted need for some type of governmental safeguard, some source to which they can go; certainly there should be some source. The question is whether it should be in this same act. I think you recognize that.

Mr. DOWNING. I agree with you, Senator. There is one thing. Everybody is sympathetic to the oyster industry. And yet it is the stepchild of no particular Federal agency. Everybody loves oysters and they want them on the table, and yet there is no agency that really is protecting these people or giving them the same help that the farmer has. My contention is that he is a farmer; he plants his oysters and he harvests them.

Senator HOLLAND. There is some sound basis for that contention. Because I do know that in my State they do spread the oystershells to take a later crop and they keep up that process. Whether that same situation applies as to scallops and as to clams and other industries that are precarious industries in this marine belt that goes around our Nation, I am uninformed. But I think the real question is a policy question as to whether or not by extending it to oystermen we become committed to a field that is a very large one and should require a well-established source to which all such industries could go.

Senator TALMADGE.

Congressman Downing, there are one or two thoughts that occur to me on that proposition which you are discussing.

I assume when a farmer borrows money from the Farm Home Loan Administration he usually mortgages his home as security for the loan. What does the oysterman put up as security for this loan? Does he have title to the oysterbed? What is the security in the event of the default of the loan?

Mr. DOWNING. In most cases he does not have title to the beds themselves; they do in some private beds, but in Virginia they are leased out by the State. He owns the oysters but he has no title to the land. It is my idea that he puts up everything he has just as with the usual bank loan. But usually what he has is insufficient for the local bank to grant a loan.

Senator TALMADGE. Would these oysters be planted in private, State, or international waters, or a combination of both?

Mr. DOWNING. It would be a combination of private and State waters.

Senator TALMADGE. It seems to me that the principal difficulty that is involved here is the matter of adequate security to protect the interests of the Government.

Mr. DOWNING. I think the experience of the Government has been excellent along this line, Senator, with the SBA, so far as the oyster loans which they have previously made, and the FHA, the loans that they have made to the farmers.

Senator TALMADGE. I know something about the problems that these oystermen are having, because, as you know, on the coast of Georgia we have had a substantial oyster and shrimp industry, and between competition of foreign imports from Mexico and Cuba of shrimp and tidal storms, it has had a difficult time.

Senator HOLLAND. Not to mention the wage and hour law.

Senator TALMADGE. That is correct.

Mr. DOWNING. As you know, the Government stepped in last year and put them under the minimum wage. And that has been a disastrous thing. We tried to get the Secretary of Labor to remove this last year, and he did in certain hardship cases.

Senator TALMADGE. As I recall, it was the piecework or hourly rate in that industry that helped a great deal in our section.

Mr. DOWNING. That is true.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. Thank you, Senator.

I want personally to congratulate Representative Downing for the work he is doing and bringing the plight of the oyster planters to the attention of the Congress. Along the Delaware coastline and Rehoboth Bay and other areas in Delaware, it is a substantial industry, and has been, and a good quality oyster, too, I might add.

Mr. DOWNING. It is a very good quality oyster. I won't deny that the Senator has a wonderful oyster-producing area.

Senator BOGGS. I must say that we got a lot of our seed from down in Virginia.

But on the question the chairman raised, the oyster planter is much like a farmer. As to what he could put up for collateral, he has a vast amount of equipment: boats, rigs, engines; am I correct on that, Congressman?

Mr. DOWNING. That is correct.

Senator BOGGS. It is expensive equipment. It can't very well be converted to other multiple uses. And when his industry is damaged by a disaster of any kind, this equipment almost has to be laid aside until he can build back his plantings, which take 2 years; is that right?

Mr. DOWNING. Three to four years is the average.

Senator BOGGS. I know in Delaware, as the Congressman pointed out, they lease the land in the bottom of the bay and the river from the State. You take a longtime lease and pay an annual rental on it. You may transfer that lease. They don't have a fee simple title to it, of course, but they may transfer it. It is of great value. It takes a lot of work to replant the beds, get the shells in there; it is almost a season's work to get the shells and put them in there, and get the seed oysters and put them in there. Like asparagus, it takes 3 to 4 years to get a crop successfully going.

I notice in a report from the House committee, Mr. Chairman, on page 2, I thought they gave a very good explanation of the point you raised there, starting with the second paragraph:

Oystermen are distinguished from other producers of seafoods in at least two respects.

If you haven't had a chance to read that, I want to call it to your attention. And I will request permission to put that section in the record at this point, because I think it does go to the point you raised.

Senator HOLLAND. Without objection that will be placed in.

How many paragraphs?

Senator BOGGS. Just the one paragraph.

Senator HOLLAND. It will be placed in the record.

And I think probably the following paragraph should go in, too, because it explains why they have used the term "oyster planters" rather than "oystermen."

Senator BOGGS. I agree with you, Senator.

(The two paragraphs of the report referred to follow:)

[H. Rept. 1502, 87th Cong., 2d sess.]

* * * * *

Oystermen are distinguished from other producers of seafoods in at least two respects: (1) Oysters do not travel from place to place but remain fixed at one locality after a very early stage of their development; and (2) most oysters are grown on legally designated plots of land beneath the surface of bays and salt water inlets which are marked by fixed boundaries and which either belong to the oyster planter or are leased from some State or other agency for the purpose of oyster production. In addition, oysters are planted, cultivated, and harvested much as any other agricultural crop and are ordinarily produced on land which has been specially prepared for that purpose.

In this connection, it will be noted that the committee has used the words "oyster planters" rather than "oystermen" to distinguish the operation described above from that of searching for oysters in the open sea and harvesting them from wild beds.

Senator HOLLAND. We are fortunate in having the chairman of the full committee here this morning who has a great stake in his own State in these maritime industries.

Senator ELLENDER. Congressman, as pointed out by Senator Boggs, it is true that these oystermen lease certain areas of land—that is, water bottoms, in bays or rivers or whatever you call them; we call them bayous where I come from.

Senator HOLLAND. Inland waters that are salty.

Senator ELLENDER. Yes—and so long as they pay their rental for these bottoms at so much an acre, it really belongs to them; everything that is there belongs to them. And in many cases in my area they build a camp right next to the place where they cultivate these oysters. They also own boats of different kinds; that is, self-propelled, and they use paddles and use oars, and they have quite a lot of equipment. These oysters are usually gathered from a natural seedbed, and then placed on their farm, it may be 10 or 15 acres, and there the oysters are permitted to grow, and they are taken care of, cultivated, in other words.

And in many places they have to build a pen around them to prevent the drums or other fish from affecting them. To my way of thinking it is really a form of farming.

Now, I think there is precedent for this. Several years ago we had fur farmers throughout the South. Although the animal was not exactly the property of the person who caught it, as long as the animal was on his property it was considered his fur. Of course, if the animal migrated to a neighbor's property it was his, or wherever it was caught. It strikes me that there is some way to protect the Government on any loans they might make in that, I repeat, the valuable boats, engines, and camps, and then the leases which sometimes are made for 10 or 15 years might be used as collateral.

And so long as the owner pays, as I said, for the use of these bottoms, why, they are the masters of them.

Mr. DOWNING. The Senator is absolutely correct; that is exactly the way I view it. The leases do have a value, they are very valuable, some of them.

Senator ELLENDER. Yes. In many cases they have got to scar the bottoms and put in shells—they are very fortunate to find natural beds. In my State they have bottoms of clay. And the fact that the clay has iron in it gives us the finest quality of oysters. Of course, I don't want to speak boastfully, but I do believe that southern Louisiana produces the finest oysters in the world. I have eaten them everywhere from every place, and I do say this, though I expect to be contradicted, but I do believe that the Louisiana oysters are as fine as are grown.

Mr. DOWNING. In my present position, I wouldn't contradict you at all, Senator. But the James River has supposedly the finest seed-bed, located in the southern part of Virginia.

Senator ELLENDER. To go back to the clay bottom, it causes the oyster to have a little purple color inside; they call them wine oysters, and they are delicious. Now, they look around for beds of that kind, and wherever oysters are grown in such beds, they are of the highest quality. And it takes a lot of work to maintain these beds.

Senator TALMADGE. Will the distinguished chairman yield at that point?

I certainly don't want the record to remain barren with respect to the quality of Georgia's oysters and shrimp, Mr. Chairman.

Senator HOLLAND. I think the record is in good shape now, except that it hasn't as yet extolled the virtues of Apalachicola or Crystal River oysters, but I am not going to go into that.

Senator ELLENDER. Mr. Chairman, in the connection that I have stated, I would like to place in the record at this point a letter addressed to me as chairman of the committee and you and the other members of this subcommittee, from Congressmen Willis, Thompson, Boggs, Hébert, and others, who are vitally interested in this. And the suggestion is made that the bill be amended so as to extend substantially the same privilege to the shrimp industry. And I ask that this letter be incorporated in the record at this point.

Senator HOLLAND. Without objection that will be incorporated.

(The letter referred to follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 16, 1962.

HON. ALLEN J. ELLENDER.

Chairman,

HON. SPESSARD L. HOLLAND.

Member,

HON. JAMES O. EASTLAND,

Member,

HON. HERMAN E. TALMADGE.

Member,

Senate Committee on Agriculture and Forestry, Washington, D.C.

DEAR SENATORS: We refer to the House-passed bill (H.R. 946) now pending before your committee to provide low-interest-rate loans to oyster planters and respectfully ask that this bill be amended to extend substantially the same privilege to the shrimp industry.

The report on the bill states that, "the immediate need for the legislation is the disaster which has struck the oyster-producing area of the Atlantic coast as the result of the recent destructive storms." The shrimp industry along the gulf coast has suffered a worse disaster, because, due to some unknown biological phenomenon, the shrimp catch or production in 1961 was about 50 percent below normal and the same situation apparently still obtains.

Last year, Congress made research funds available to ascertain the cause of and to find a possible solution to the problem. In the meantime, the shrimp industry is in desperate need of financial assistance. The shrimp boat owners, however, are not asking for a gift or handout. They are simply and humbly asking for a temporary low-rate-of-interest loan program to meet existing conditions.

We are taking the liberty of enclosing a tentative draft amendment to the bill, H.R. 946, and would appreciate an opportunity to appear before your committee and submit supporting data and evidence.

With appreciation of your sympathetic consideration, we remain,

Very sincerely yours,

EDWIN E. WILLIS,

Member of Congress from Louisiana.

T. A. THOMPSON,

Member of Congress from Louisiana.

HALE BOGGS,

Member of Congress from Louisiana.

F. EDWARD HÉBERT,

Member of Congress from Louisiana.

JOE M. KILGORE,

Member of Congress from Texas.

CLARK W. THOMPSON,

Member of Congress from Texas.

JACK B. BROOKS,

Member of Congress from Texas.

ROBERT L. F. SIKES,

Member of Congress from Florida.

A. SYDNEY HERLONG,

Member of Congress from Florida.

DONALD RAY (BILLY) MATTHEWS,

Member of Congress from Florida.

DANTE B. FASCELL,

Member of Congress from Florida.

CHARLES E. BENNETT,

Member of Congress from Florida.

WILLIAM M. COLMER,

Member of Congress from Mississippi.

FRANK W. BOYKIN,

Member of Congress from Alabama.

IRIS FAIRCLOTH BLITCH,

Member of Congress from Georgia.

G. ELLIOTT HAGAN,

Member of Congress from Georgia.

PROPOSED AMENDMENT TO H.R. 946

SEC. 2. That section 321 of the Agricultural Act of 1961 (Public Law 87-128) be amended by adding a new subsection (c) to read as follows:

(c) Until June 30, 1965, the Secretary is also authorized to make loans to established owners or operators of domestic shrimp fishing vessels who have historically operated in areas of the Gulf of Mexico where the Secretary of the Interior finds and certifies to the Secretary that there exists a shrimp production failure or shrimp resource disaster as a result of natural or other causes. Such loans may be made only to applicants who (1) are citizens of the United States or private domestic corporations or partnerships, (2) have experience and own or have arrangements for operation of boats and other equipment necessary to enable them to carry on successful shrimp fishing operations in such areas, and to assure reasonable prospects for repayment of the loans, and (3) are unable to obtain credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near where they reside for loans for similar purposes and periods of time. Such loans may be made for shrimp fishing purposes, including maintenance, repair or replacement of fishing boats or other equipment, fishing supplies, other essential fishing operating expenses including cash rent, refinancing existing indebtedness, other fishing and home needs including but not limited to a family subsistence, and for loan closing

costs. Such loans shall be repayable in not more than seven years, but may be renewed for not more than five additional years.

Senator HOLLAND. Incidentally, let the record show that we have a message from Congressman Willis that due to airline troubles he has been held in Louisiana. He expected to be here this morning to testify.

Senator ELLENDER. I was going to suggest that. And then he was supposed to send a statement to be filed in the record.

Senator HOLLAND. Here is a statement by Congressman Boggs.

Perhaps you would like to file it.

Senator ELLENDER. I ask permission to file at this point in the record a statement by Congressman Hale Boggs, the majority whip of the House of Representatives.

And I ask permission within the next couple of days to file a similar statement from Congressman Willis, who is unable to be here because of the plane strike, and from Congressman Hébert, who also wanted to be here.

Senator HOLLAND. Without objection that is granted.

(The statements referred to follow :)

STATEMENT FILED BY HON. HALE BOGGS, REPRESENTATIVE IN CONGRESS FROM THE
SECOND CONGRESSIONAL DISTRICT OF LOUISIANA

Senator Holland, and members of the Subcommittee on Credit, it is indeed a pleasure for me to address myself to the members of this subcommittee, including my honored colleague from my own State, the senior Senator from Louisiana, Allen Ellender. I come before you on behalf of the thousands of shrimp fishermen of my home State, Louisiana, and of the other Gulf Coast States because they are in dire straits due to a disaster of unknown cause which has struck, and continues to afflict, their industry.

I refer to the inexplicable biological phenomenon which first beset the shrimp industry of the gulf coast area last year and which continues today—that is, the total disappearance from the inland waters of Louisiana and of the other States of shrimp, so much so that the shrimp catch in 1961 was about 50 percent below normal. Most of our shrimpers have small boats which are not equipped to ply the deep waters of the Gulf of Mexico; rather their vessels are designed to ply the inland bayous and streams, and the Continental Shelf waters of the Gulf of Mexico, close to our southern coast. As a result, these fishermen have not been able to enjoy the fruits of the shrimp catch which is being hauled in off the coast of Mexico itself, and at more distant locations.

By virtue of this prolonged blight which afflicts the shrimpers of the gulf coast area, these fishermen have exhausted the loan credit which they can secure from local banks and from savings and loan associations. They have no place to turn for financial aid but to the Department of Agriculture and its Farmers Home Administration for equitable and justifiable relief.

Today you are considering H.R. 946 which was passed by the House last April 2. This legislation calls for extending to oyster planters on the Atlantic coast the benefits of the Farmers Home Administration Act of 1961, so that they may be eligible for low-interest production disaster loans, along with farmers, ranchers, and stockmen.

The sponsors of this bill are requesting financial relief for oyster planters on the basis that that industry has been struck by a natural disaster; that is, by the recent destructive storm which lashed the Atlantic coast in March from New York to North Carolina. The high tidewaters of that storm rushed into the bays and inlets along the coast and completely destroyed many of the oysterbeds; for this reason, the oyster planters need equitable relief and it is certainly justifiable.

For the same general reason—the havoc of a natural disaster (although this one is inexplicable)—our shrimpers are in desperate need of financial aid to

assist them through this bleak period. It is true that last year the Congress generously made research funds available to ascertain the cause and to find a solution to the strange disappearance of shrimp from the inland waters of the Gulf Coast States. But this fact is of no immediate help to the shrimpers.

A gift or handout from the Federal Government is not what our shrimp fishermen are seeking; they are merely requesting that they be allowed, as are oyster planters in this bill, to apply for low-interest loans under the Farmers Home Administration Act in order to meet their existing hard-pressed condition.

I firmly believe that our shrimpers deserve to be included as eligible for loans through the Department of Agriculture. An amendment to this bill (H.R. 946) to provide such relief to oyster planters would be most appropriate and fair to the shrimp fishermen of the Gulf Coast States. Chairman Holland, Senator Ellender, and other members of the Agriculture Subcommittee have received from Congressmen Willis, Thompson, Hébert, and myself, and several other Members from the States of Texas, Mississippi, Alabama, Georgia, and Florida, a proposed amendment to H.R. 946, and I respectfully urge the subcommittee to adopt this amendment before reporting the bill favorably to the Senate.

I thank Chairman Holland and members of the subcommittee for this opportunity to offer this request on behalf of the shrimp fishermen of the gulf coast area.

STATEMENT FILED BY HON. EDWIN E. WILLIS, REPRESENTATIVE FROM THE THIRD CONGRESSIONAL DISTRICT OF LOUISIANA

Mr. Chairman, I appreciate the opportunity to express my views on legislation to authorize low-rate-interest loans to the domestic shrimp industry. The problem presented and the suggested solution are set forth in a letter dated April 16, 1932, addressed to the chairman and members of this committee, which I drafted for the joint signatures of 16 Members of the House from the gulf coastal area and which I include as part of my statement at this point.

The sharp drop in the shrimp crop or production was, no doubt, due to some kind of physiological or biological phenomenon, or both, but it is one of the sad commentaries of our scientific age that we cannot pinpoint the exact reason. The answer is that research efforts must be expanded to provide enough information so that the shrimp resources can be wisely managed. To that end, funds have been appropriated.

In the meantime, however, established owners or operators of domestic shrimp fishing vessels who have historically operated in the areas of the Gulf of Mexico are in desperate need of financial assistance, not as a gift or handout but in the shape of a temporary low rate of interest loan program to meet existing conditions.

In that connection, it should be kept in mind that shrimp is the No. 1 U.S. seafood industry. It is estimated that there are over 7,000 vessels engaged in shrimp fishing in the South Atlantic and gulf areas alone. The investment in the larger crafts or trawlers is estimated to be over \$250 million. When we add to what the investment in shore plants, canning factories, and other equipment we realize that the domestic shrimp industry represents investments of over \$1 billion.

The language of the proposed amendment to H.R. 946, attached to our joint letter of April 16 and hereinabove set out in full, was the result of conferences with officials of the Department of Agriculture early this year. I call attention to the fact that the suggested loan authorization would be a temporary program until June 30, 1965.

The purpose of the loan program, therefore, is simply to rehabilitate those engaged in this important industry and who were the victims of a disaster caused by natural forces beyond their control. The rehabilitation, for a temporary period of time only, would be brought about through loans and not gifts, and in view of the need for it—as great if not greater than that which prompted the passage of the bill H.R. 946 to provide low-interest-rate loans to oyster planters—I respectfully urge the adoption of the amendment hereinabove referred to.

(The joint statement referred to is on p. 10.)

STATEMENT FILED BY HON. F. EDWARD HÉBERT, REPRESENTATIVE IN CONGRESS
FROM THE FIRST CONGRESSIONAL DISTRICT OF LOUISIANA

Mr. Chairman and members of the committee, I urge you to give the deepest consideration to extending the same much-needed aid to the domestic shrimp and oyster fishermen of the Gulf of Mexico areas as is already available to farmers who find themselves in a plight of disastrous nature.

These people should have the same low-interest-rate loans made available to them through the Farmers Home Administration as does anyone else faced with a biological phenomenon that cuts in half his "crop." For this is precisely what has happened to the gulf shrimp industry. Production in 1961 was one-half the expected figure, a situation which has brought countless shrimp fishermen face to face with economic ruin through no fault of their own.

All that is sought through the proposed amendment is the right to obtain the temporary low-interest loans for the shrimp fishermen as is quite properly sought for oyster fishermen.

Inasmuch as I am honored to number among my constituents in the First District of Louisiana a number of fine shrimp fishermen whose livelihoods have been dealt a severe blow, I urge favorable consideration of the amendment as proposed by my colleagues of Louisiana, Texas, Florida, Mississippi, Georgia, and Alabama.

This is worthwhile legislation of a specific nature that will afford relief where it is needed the most.

Senator HOLLAND. I have here this morning a communication from your colleague, Senator Long, advising that he has to attend a committee meeting elsewhere, and asking that a short statement on his behalf be incorporated. And I think this would be an appropriate time to do that.

(The statement referred to follows:)

STATEMENT FILED BY HON. RUSSELL B. LONG, A U.S. SENATOR FROM THE STATE OF
LOUISIANA

This statement is submitted to request that H.R. 946, as passed by the House of Representatives, be amended to extend to shrimp fishermen, as well as to oyster planters, the provisions of the present law which provide for production disaster loans for farmers and stockmen.

H.R. 946 would authorize emergency loans to oyster planters by the Farmers Home Administration in so-called "disaster areas," designated by the Secretary of Agriculture as a result of finding that there exists in the area a need for credit which cannot be met under reasonable terms, for the time being, by non-Government or even other Government sources, and that the need for such credit in the area is a result of a natural disaster.

The bill should be amended to extend the same loan privileges to shrimpers. The shrimp industry along the gulf coast has suffered extreme hardship due to some, as yet, unknown biological occurrence.

The shrimp catch in 1961 was about 50 percent below normal. The same situation apparently still exists; and, therefore, the Department of Interior appropriations bill, recently passed by the Senate, contains \$350,000 for shrimp research so as to find out the cause for the disappearance of the shrimp.

In the meantime, money is desperately needed by our gulf shrimpers, and money on reasonable terms is unobtainable from private sources. Therefore I feel that it is the Government's duty to come to the aid of the shrimpers; and I believe the vehicle for furnishing this aid is an amendment to the Consolidated Farmers Home Administration Act of 1961 to permit shrimpers, as well as farmers and ranchers (and oyster planters under H.R. 946) to receive emergency disaster loans.

Senator ELLENDER. Mr. Chairman, I have nothing further to ask. I presume we are going to have other experts who will testify. And if you permit, I would like to ask a few questions.

Senator HOLLAND. Mr. Downing, do you care to add anything else?

Mr. DOWNING. Mr. Chairman, in closing, let me say that when I introduced this bill I searched to see what act should be amended so we could give this industry some help. And it was the best judgment

of the people over there that this act be amended rather than the Small Business Administration. And we acted accordingly. I do not object to the shrimp bill, because I think that is a needy industry too. But we are approaching the hurricane season, and I would like to see something done for those people before the hurricane season.

Senator BOGGS. Congressman, isn't it a fact that many oyster planters live in rural communities, and they are also farmers—many of them I know run a farm—and that is probably another reason it should be tied to this.

Mr. DOWNING. That is true.

Senator BOGGS. They live there, they are not migratory, and most of them live on farms and farm them. They run the oyster business close to the creeks.

Mr. DOWNING. They do this in the winter time and farm the other times.

Senator HOLLAND. Thank you, Congressman.

Mr. DOWNING. Thank you very much, Mr. Chairman and gentlemen.

Senator HOLLAND. Representative Willis couldn't be here nor Representative Thompson.

Representative Kilgore is sending over a statement from the Texas shrimp industry which without objection will be incorporated in the record.

(The statement is as follows:)

STATEMENT FILED BY J. E. BARR, EXECUTIVE SECRETARY, TEXAS SHRIMP ASSOCIATION, BROWNSVILLE, TEX.

For the purpose of this hearing, I respectfully submit this statement on behalf of the shrimp industry of Texas.

For some time, the production segment of the fishing industry of the United States has been operating at a disadvantage with its foreign competitors. This has been brought about chiefly by the fact that most foreign governments, with considerable fishery interests, have subsidized their fish producers in one way or another. It is not the thought nor the intent of the U.S. fishing industry to ask the Federal Government for a subsidy in this instance.

For a good many years, there has been available to the Department of Agriculture a large (by fishery standards) revolving fund from which loans may be made to farmers in areas where natural disasters have temporarily affected the credit rating of the farmers adversely. This is not a "giveaway" program, for, as you know, the money is paid back but on gentler terms and lower interest rates than can be had from commercial sources. It is my understanding that the program is well thought of by Congress because the fund makes a small amount of money for the Government and it is also my understanding it is well thought of in the Department of Agriculture because it has helped a lot of farm communities over very serious difficulties.

There is no like facility available in the Federal structure for the similar relief of fishermen under conditions of this nature, although the sea fishermen operate under conditions of risk arising from natural phenomena no less rigorous than do farmers.

A natural disaster affecting farmers is readily discernible since, be it flood or drought, it can be witnessed by anyone in the affected area. In the harvest of marine crops, particularly those taken contiguous to the coastline, nature plays a great part in crop abundance. The proper balance of water salinity and temperature is of prime importance in accounting for the volume of marine species available at the harvestable stage. This is particularly true of shrimp, whose larvae enter the bay and estuarine areas of the coast and remain there through their juvenile life before migrating back to sea to fulfill their life cycle. Survival of the larvae in the bays is directly dependent upon the temperature and salinity of the water.

The shrimp fishery of the gulf, in 1961, experienced a production disaster due

to a combination of weather and oceanographic causes. Extremely strong currents were recorded in the gulf during the shrimp spawning period and extreme water temperature inversions were recorded in the bay and inshore areas at the same time. Shrimp production in the gulf for the year 1961 was almost 50 million pounds below normal and this productive cbb has continued into 1962, although somewhat to a lesser extent.

The combination of the natural phenomena, which affected the shrimp spawnings, plus the effect of Hurricane Carla prompted us to have Mr. Kilgore introduce, in September past, H.R. 9375, a bill to provide disaster loans to fishing vessels owners and operators adversely affected by the failure of the fishery resource when such failure is brought about by natural causes. It would appear that an amendment to H.R. 946 would accomplish the purposes set forth in H.R. 9375.

Qualifying under "natural causes," for a fishery disaster loan, would not be as difficult as would first seem. There are enough qualified fishery scientists in the Bureau of Commercial Fisheries who could testify as to the cause of a temporary failure in any fishery, including the shrimp fishery. The drop in shrimp production from 141,028,100 pounds in 1960 to 90,561,100 pounds in 1961 (36 percent) certainly points up the vulnerability of the shrimp industry to natural phenomena.

Keeping in mind that we are not seeking a handout, but rather a loan program to tide the industry over such periods of resource failure, I respectfully ask the committee to carefully consider an amendment to H.R. 946 to cover our needs.

The importance of all seafoods as a source of food protein is growing, not only here, but all over the world. Russia, Japan, Great Britain, and others are directly subsidizing their fishing fleets, and expanding their operations. Most of our U.S. fishing fleets are going down hill. It would seem that a Federal loan program, to fit the disaster needs of our own domestic fishing industry, should not be too difficult to work into a multibillion-dollar Federal budget.

Senator HOLLAND. Mr. David H. Wallace, director of the Oyster Institute of North America.

Would you come forward, please, sir? You may proceed.

STATEMENT OF DAVID H. WALLACE, DIRECTOR, OYSTER INSTITUTE OF NORTH AMERICA, ANNAPOLIS, MD.

Mr. WALLACE. My name is David H. Wallace. I am the director of the Oyster Institute of North America.

I have a statement here which I would like to file with the committee as part of the record, and I would like to make some supplementary remarks at this time which I believe bear directly upon the matter which has been under discussion.

Senator HOLLAND. You wish the statement incorporated in full in the record?

Mr. WALLACE. Yes, sir.

Senator HOLLAND. Without objection that will be done.

(The prepared statement of Mr. Wallace follows:)

My name is David H. Wallace. I am the director of a trade association called the Oyster Institute of North America, with offices at 6 Mayo Avenue, Bay Ridge, Annapolis, Md. Our people grow and ship about 90 percent of all oysters in the United States, and our producer members are located in 17 States along the Atlantic, Gulf, and Pacific coasts. We favor strongly the passage of H.R. 946 as amended and passed by the House.

Oyster growers are underwater farmers. They grow their own seed, or buy it, transplant their seed when it is the proper size and age, and harvest their crop when it is mature. The product is distributed to consumers through much the same channels as are land-grown farm products.

Congress has classified our product along with other agricultural commodities in several ways. First, oysters can be shipped by exempt trucks, in the same way as certain agricultural products. This exemption recognized that fluctuating natural conditions made it impossible to regulate oyster production in a steady flow. Second, when the production credit association was established, oyster farmers were given the same rights as land farmers. Oystermen in many areas have been using this loan service and it has been a tremendous aid to them. At present, one of our leading oyster farmers is a member of the board of the association for the northeastern part of the United States. Third, the Internal Revenue Service recognizes the similarity between land and underwater farmers. Tax returns of oyster farmers are generally on a cash rather than accrual basis, which takes into consideration the inability of the oyster farmer to predict what his production will be 2 or 3 years hence.

When oysters spawn the eggs and sperm are shed directly into the water. The eggs are fertilized by chance. After fertilization the free-swimming larvae goes through a series of changes. In about 2 weeks the baby oyster settles to the bottom and cements itself to some hard object. The oyster is henceforth a sedentary animal, unable to move from one place to another without assistance from man or from extreme turbulence created by storms. After the oysters have grown for a few months they are called seed and are ready for transplanting. If they are left in the seedbeds they become overcrowded as they grow, and are unable to mature properly. They are removed then from the seedbed and transplanted to so-called growing grounds, where they remain from 2 to 4 years until they have grown to maturity. Some farmers even transplant the mature oysters to other beds where they become fat just prior to marketing.

While disasters cannot be classified precisely, there are several types which have inflicted severe damage to oyster farmers in the past. Hurricanes and other severe storms, plagues of predators, and blights and diseases are the major factors which destroy oyster crops. Hurricanes along the Atlantic and gulf coasts periodically damage oyster beds. In a storm with winds over 75 miles an hour, giant waves are created in our estuaries and this turbulence may extend to the bottom of the bay or river. Beds of oysters in water as deep as 60 feet have been destroyed completely in Long Island Sound. The churning action either rolls the oyster off the hard surface of the beds into the soft mud where they sink and die, or deposits mud, sand, and debris on top of the oysters so that they are smothered. Tropical storms Connie and Diane in the summer of 1955 were accompanied by torrential rains over Virginia. The fresh water reduced the salinity to a level where the oysters were unable to survive and the crops of numerous oysters were wiped out completely.

Predators are a constant threat to the oyster farmer. In Long Island Sound starfish on certain occasions have become so abundant that they destroyed the entire seed crop. In the Gulf States, oyster farmers in Appalachicola Bay, Mobile Bay, Mississippi Sound, and the Mississippi Delta, are plagued with the conch which moves into all these areas when there is a prolonged drought, which increases the salinity over the beds.

In 1957, a blight attacked oysters in Delaware Bay and subsequently spread to the lower Chesapeake. This disaster wiped out many oyster farmers, and created widespread unemployment in the plants packing and processing oysters. There are some indications that this oyster disease has run its course in Delaware Bay, but many growers will be unable to finance reseedling their beds unless assistance is forthcoming to them.

The oyster farmer is little different from land farmers. Generally he is a small operator with a limited number of acres under lease. Most of his capital is tied up in the crops he has growing on his bed. He must have two or three plantings of different ages at all times, so that he can harvest a crop each year. When he is severely damaged by a natural disaster he has little opportunity to reseed his beds through normal channels of credit. Regular banking channels, which are readily available under normal conditions, become unavailable.

All too frequently in the past we have seen reputable, honorable men forced to abandon their lifework because they were damaged so badly they could not stay in business. Loans to oyster farmers in the same way as for land farmers offers a partial solution for the oyster farmer to again start his business. While we realize that the officials in the Farm Credit Administration have no experience in dealing with oyster farmers, they are pretty much the same kind of people as land farmers—honorable, rather proud, and independent people used to working with nature and battling the elements. Technical advice is immediately

available to FCA through the Interior Department's Bureau of Commercial Fisheries.

More and more we hear the opinion expressed by governmental officials and others that we must look at the sea in the not too distant future to supplement the wonderful job being done by our land farmers in feeding our expanding population. It seems to us that the provision of H.R. 946 is one step in gearing up to produce more food from the sea. Natural disasters need not be permitted to put our aquatic farmers out of business.

The question has been raised about the cost of such a loan program. It is obvious to me that in the long run it will be self-supporting, just as the loans to land farmers. Even in the beginning it is doubtful if the FCA would need additional funds to carry out this expansion of their function.

We urge your support of this legislation. It is constructive, it is humanistic, and it will insure a more stable production of a highly nutritious, high protein food.

Senator HOLLAND. You may proceed as you wish.

Mr. WALLACE. This whole matter of the position of the oyster farmer in regard to assistance becomes a matter of, I think quite correctly, deciding whether or not oystermen producing oysters are in fact farmers. I believe that it is recognized by the fishing industry that oystermen are the only marine industry in the United States that actually does some active things to cultivate the crop. And I would like to cite a few of the things that oystermen do which are directly parallel to activities which the land farmer carries on to illustrate my point.

In the first place, as was brought out earlier by Senator Ellender, and by you, Senator Holland, the oystermen plant shells on their bottoms as a material for the young larvae to attach to when they go through the free swimming form. That is how he gets his seed. As soon as he does this he allows the young seed to grow until they are strong, and in many areas he then picks these up and transfers them to his growing beds where he deposits them evenly over the bottom so they will have an opportunity to grow and mature.

In certain parts of the United States even a third step in cultivation takes place, where this crop is thinned, so that the oyster will actually grow to a better condition and better quality. This practice is particularly prevalent in Long Island Sound, and in some cases in Delaware Bay, where the oystermen make great efforts to grow a very fine quality appearing oyster; the shell is nicely cupped and clean.

In many areas also other steps are taken to protect the crop. For example, again in Long Island Sound, efforts are made to control predators; they actually place lime on their beds to kill starfish, which are one of the enemies of the oyster. This is very comparable to the kind of predator control that the land farmer practices on his land.

Right at the present time there are indications of new chemicals which will be able to kill other predators, and which will be useful in the industry. For example, in the gulf at the present time conch are one of the big predators; they move in on the beds of the oystermen and sometimes wipe them out. There are some new chemicals now which give great promise to help the oyster farmer to control conch so that he will be able to save his crop from this type of destruction.

The oyster industry is unique in this aspect, there are no other marine industries that do this for the crop they are trying to grow.

The shrimp industry, for example, harvests a wild crop, it is grown in the sea and in the tributaries.

It is true that they have to have specialized equipment and a great deal of knowledge in order to catch the shrimp. But the actual cultivation, farming, is not carried on. And I don't believe that anyone can really debate this issue as far as farming is concerned. Our people consider themselves farmers. They do all of the things that farmers do. We believe that they should have the same opportunities for assistance in times of disaster that a farmer has, because he is investing his own money in producing a crop on lands which are leased to him on a semiperpetual basis.

Now, the lease law is that once a man obtains a lease as long as he obeys the law and pays his rental to the State, he has a lease that will go on indefinitely. He has a right to sell this lease, it can actually be sold and transferred. Therefore it has a value. The land in many areas, oyster land, is worth up to a thousand dollars an acre, high quality seed land. This is very valuable land, comparable to the best farmland that you could get. And there have been many instances where oyster farmers have sold their lands to other people who have wished to go into the oyster farming business.

There are actually parts of the United States where the lands are owned individually. On the west coast, for example, all of the oyster grounds are owned by the oyster farmers. They pay taxes on them just as though it were any farmland. This land can be sold and is sold all the time to other people who might wish to buy it.

I believe that these are factors which make our industry very different from other marine fisheries industries. And I am not in any way tending to say that the others do not need help, in fact I think that it is a terrible thing that the fisheries industry as such has been given the limited aid that they have had in the past. And I hope that the Congress in its wisdom will be lenient in expanding the coverage, because in the shrimp business, for example, in a hurricane if there are storms and the boats are badly damaged, these people need aid. I believe that there is some assistance that can be rendered under these conditions.

But if your crop is destroyed, if your oysters that are planted on your beds are gone as a result of the storm, or as a result of a disease like that which hit in Delaware Bay and wiped out all of the oysters in New Jersey and Delaware and destroyed the oyster industry there—these people have had no help. And if you could go to see the once-thriving oyster town of Port Norris, N.J., which 6 or 7 years ago was very progressive, doing very well, the oyster farmers were producing hundreds of thousands of bushels of oysters a year, in fact in 1955-56 they produced a million bushels in this one town through the oyster planters, but because of this disease which hit last year, their production was 50,000 bushels—now we have almost a ghost town. And we have no way for these oyster farmers to replant their beds, because they were wiped out by this disaster which occurred.

SENATOR ELLENDER. Did they find out what disease attacked them?

MR. WALLACE. Well, there has been a great deal of research on this, Senator. And it appears now that this is a micro-organism—

SENATOR ELLENDER. Affecting the adductor muscle?

MR. WALLACE. It starts in the muscle and spreads throughout the whole body.

Senator ELLENDER. They can't open and close?

Mr. WALLACE. That is right. They just die. And it has wiped out the beds in this area.

Senator ELLENDER. We had the same disease in our area. It was a disease of the adductor muscle, and it was spread by stone crabs.

Mr. WALLACE. The scientists in the United States have been seeking to find the whole life history of this organism. It is very difficult and complicated, of course, because it is extremely small and requires very extensive study.

Senator ELLENDER. In the laboratories in North Carolina—as I remember, Dr. Prathwidge made the discovery, that the way to control it was to get rid of the stone crab in the area so as to prevent the carrying of the disease from one area to another. The stone crab would eat the affected oyster and when the stone crab emitted the waste, it would combine with the water and be taken in by the oyster and the oysters would get the disease.

Mr. WALLACE. So far they have not found the alternate host for this organism, although it is a type of disease animal that could have an ultimate host. If you could find the host you could destroy the cycle. I want to point out that there is some hope in Delaware Bay—and that is the reason this legislation is currently interesting to these people—the disease there seems to have run its course; it is no longer virulent. And yet the oyster farmers, having suffered this disaster, are in a very difficult situation, they don't actually have sufficient funds or the ability to refinance the reseeding of the beds. And unless you plant the seed you don't grow the oysters.

Senator HOLLAND. May I remind you that this committee, with some apprehension, agreed to the release of a very sizable portion of the 632 funds some years ago to conduct research for the benefit of the group of fisheries industry, and we haven't had any regrets because we did that, because we think a great deal of good has come from that program.

I believe they called it the Saltonstall-Kennedy bill, wasn't it, Senator?

I know we had some apprehensions about it. But I call your attention to the fact, first, that this committee did go along with that, and second, it was to the benefit of all the marine fisheries. And I renew my point, that it seems to me that you would be on stronger ground if you have a program here which is applicable to disasters that occur in this whole group of industries rather than to just one single industry which, though it has some points of likeness with agriculture, yet has so many areas of difference. I should think the FHA would be very reluctant, for instance, to fall heir to some leases of bay bottoms of State lands by reason of having to foreclose obligations, disaster obligations against them. I don't know if they know how to start getting themselves out from under. And I call your attention to the fact that many of our States which have much larger stakes in the shrimp industry, or perhaps in clams, scallops, and various other industries than oysters, would like to see machinery set up that is applicable to all of these marine food industries when they suffer disaster.

Mr. WALLACE. Senator, may I say this. I am in thorough accord that all of the segments of the fishing industry ought to have this assistance. And I didn't want to give the impression that I was op-

posed to this. It certainly would be a very shortsighted view on my part if I were. I suspect, however, that this particular legislation—I rather agree that this particular legislation is not the vehicle for such aid, in that this is dealing altogether with farming, and the only position that I have is that if this bill which actually deals with a farm act is going to be considered on that basis, that the oyster farmers are about the only ones in the fishing industry that could actually qualify.

Now, I would much prefer to see the legislation under the act which was passed in 1956 which actually set up the authority and responsibility for fisheries in the Department of the Interior to be brought together, all of the fishery functions in that Department. And this is now where the Saltonstall-Kennedy research funds are administered in Interior. And this is logical. Interior knows our problems. They would not have any reluctance about maybe taking over the lease ground that the Department of Agriculture might, because they have so much experience in this field.

Senator HOLLAND. I am reminded of the fact that only a few years ago our sponge industry in Florida had a serious disease affecting the sponge beds that practically wiped them out, as you say it has happened in the oysterbeds of Delaware Bay and New Jersey, and then it wore itself out, and the sponges are now coming back. But for a time the industry was on a distress basis, and there was no adequate place to go.

Mr. WALLACE. There was no place for them to go. It just happens, Senator, that I am the executive secretary of the sponge and chamois industry and represent these people in the sponge industry. And they were wiped out, as you say.

Senator HOLLAND. Of course, the sponges are grown in much deeper waters, but they are fixed in the place they grow, and are taken by the two groups with which you are familiar, the divers and the hookers, who are at war most of the time with each other.

Mr. WALLACE. Yes, sir.

Senator HOLLAND. So that there are many industries that have the occasion to suffer from disasters. But I suggest again that you have a setup here which would keep all your people together, because together you represent a great segment of industry—if you are added to the upland farmers I don't know whether you will have lost caste or gained caste, because they are a group in many respects comparable to what you are.

Mr. WALLACE. I might say that Congressman Kilgore had certain legislation introduced in the House which in our opinion would be quite appropriate for the fishing industry; it would include us; it would include the shrimp industry and others. This one sets this whole framework of aid and disaster assistance within the Department of the Interior under the Reorganization Act of 1956.

Senator HOLLAND. Does it hold all the marine fisheries industry and the sponge industry which is comparable to it together in one place?

Mr. WALLACE. Yes, sir. Unfortunately this legislation seems to have gotten no consideration in the House whatsoever. And at this moment it has not even been brought before a public hearing to consider the merits or demerits of it. And none of us have had an opportunity to appear and express our favorable position on this legislation. Those of us in the oyster industry are very fearful that the

time is getting so short that there will be no opportunity for this legislation to really get the consideration in Congress. And I suggest possibly that this committee might conceivably amend the present legislation to cover the broad scope of the fishing industry, giving this aid to all segments of the industry within the framework of the Interior Department.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. I haven't any questions, Mr. Chairman.

That is a very good presentation.

Senator HOLLAND. Senator Ellender?

Senator ELLENDER. No further questions.

Senator HOLLAND. Thank you, Mr. Wallace.

Senator Neblett.

Gentlemen, this is former State Senator Neblett, from Key West, Fla. I know in general he represents the shrimp industry, but he may be representing other groups, too.

Senator, would you like to have your prepared statement included in the record?

**STATEMENT OF WILLIAM R. NEBLETT, EXECUTIVE DIRECTOR,
NATIONAL SHRIMP CONGRESS, KEY WEST, FLA.**

Mr. NEBLETT. Yes.

Senator HOLLAND. That may be done.

(The prepared statement of Mr. Neblett follows:)

Mr. Chairman and members of the committee, my name is William R. Neblett. My home is in Key West, Fla. I am the executive director of the National Shrimp Congress, Inc., a trade association representing the domestic shrimp producers in the Gulf and South Atlantic States, from Texas to North Carolina. The directors of the National Shrimp Congress are officers or directors of the Texas Shrimp Association, the Louisiana Shrimp Association, and Southeastern Fisheries Association whose membership extends to the Carolinas, Georgia, and Florida.

I speak for disaster loans for shrimp fishing owners and operators.

The shrimp industry has for more than 12 years been the No. 1 domestic U.S. fishery in dollar value. As a food producing industry its investment in 7,000 trawlers and boats, plus port facilities, packinghouses, and suppliers is considerable. Over 15,000 fishermen are involved in producing shrimp, with close to 100,000 more workers in shore installations, grading, canning, packing, icing, and related activities.

With the exploding population of the United States and of the world the protection and development of vital sources of food is highly important. The Bureau of Commercial Fisheries of the Department of the Interior has recently made a scientific survey of fishery resources available to U.S. fishermen. I quote from a document prepared by Seton H. Thompson, regional director of the Bureau of Commercial Fisheries, Southern Division, dated February 7, 1962: "The Gulf of Mexico has assumed a major position in the U.S. fisheries only in very recent years. The gulf catch 20 years ago was one-fourth billion pounds or 6 percent of the domestic catch. By 1950 this had increased to one-half billion pounds or 12 percent of the total. By 1960 the catch had doubled again and now stands at 1¼ billion pounds or 26 percent of the U.S. total. The catch has doubled in each of the last two decades. While this fantastic development was taking place, the yield in other parts of the United States was either static or declining.

"Shrimp and menhaden have been largely responsible for this rapid growth. Even so, these resources are not yet fully utilized. * * * Probably the shrimp catch along our gulf shores can be increased by as much as 25 percent through expansion of operations to deeper waters and new species."

The production of shrimp is not confined to a few large firms or fleets but ownership of shrimp trawlers is primarily the individual enterprise of a number of rugged entrepreneurs. The word "rugged" is used advisedly, as these are

the men who "go down to the sea in ships" like the daring seamen of clipper days. Of the 7,000 or more trawlers in active operation over 4,000 are of sufficient size to be classified as distant-fishing vessels which are capable of leaving a U.S. port and remaining away on fishing operations for periods up to 6 weeks. Yet the hardy crew is composed of two (sometimes three) men who do all of the navigating, cooking, upkeep of nets, machinery, and equipment and also fishing by trawls.

These men are heads of families and in many small communities the entire economic life of the village or town depends upon the shrimp fishermen. They expect some changes in fortune from one year to the next and may survive one or two poor seasons by balancing against one good season. They cannot cope with a natural disaster of overwhelming proportions which either destroys the vessels or the crop.

In the past 2 years certain areas of shrimp fishing have experienced natural disasters of two types. A major hurricane lashing the shores of Texas and Louisiana did incalculable damage to vessels, piers, and shore installations required for vessel operations, and occurring during the height of the shrimp producing season made it impossible for the fishing fleet to operate for a long period of time. In addition, when the storm had subsided the shrimp were not to be found in any substantial quantities, apparently having been scattered by the storm.

According to scientists of the Bureau of Commercial Fisheries, Department of the Interior, there was a general failure of all species of shrimp in the gulf area to appear in normal quantities in 1961. The catch in the Gulf States dropped to 80 million pounds as compared with 122 million pounds in the preceding year. It was the smallest catch recorded for this area since 1940 and the landings in Louisiana were the smallest since 1923. This decline of about 35 percent created disaster conditions in many small gulf communities.

Mr. Seton H. Thompson, whom I quoted earlier, states that "the decline in abundance in shrimp in 1961 came without warning, and the cause for it is still unknown (February 7, 1961). One thing is certain: the short supply of shrimp on the fishing grounds was the result of natural factors having widespread occurrence. No State bounding the Gulf of Mexico escaped. It seems doubtful, based on our present knowledge, whether anything could have been done to predict this decline in abundance of shrimp."

To increase scientific information to the point where reasonable forecasting of the shrimp crop may be made the shrimp industry has asked the Congress for increased appropriations for biological research. The Senate Appropriations Committee has approved this increase and the matter is presently in a conference committee between the House and Senate. The shrimp industry earnestly hopes that additional research will help in the future to predict short production and possibly to apply scientific corrections. In this connection estuarine studies are most valuable, since our domestic shrimp spend their young life in the marshy tidal areas of the gulf and South Atlantic.

The rapid expansion of the shrimp fishing industry began after World War II when technological advances in refrigeration made it possible to pack and preserve this product and expand the market for shrimp into interior cities. Once New York City was the prime market for shrimp which were packed fresh in boxes or barrels and trucked from gulf and South Atlantic ports, being reiced enroute. With modern refrigeration available it is the frozen shrimp market which is now important and Chicago is the principal wholesale market.

Excellent statistics have been maintained on the production of shrimp by the Bureau of Commercial Fisheries covering these important years of the modern development of the industry. To the producers, the fishermen, the production figures have been important because they have shown a reasonably stable picture, with lowest production about 122 million pounds and with highest production at about 155 million pounds, with a median of about 140 million pounds. The production figures have also accurately predicted cycles of rising and falling production, even though few of the scientific reasons for high and low production were known. With the estimated yield being reasonably certain the other factor which concerned the fishermen was the price of the product. The attractive market for shrimp in the United States, developed by domestic effort, grew in such volume in 1959 and 1960 that it adversely affected the economics of the domestic shrimp industry. Failing to obtain any relief by way of tariff-quota legislation the fisherman continues to face the peril of the administration's

free trade policy exemplified in the Trade Expansion Act. These matters are alluded to to show, in part, some of the major difficulties with which the shrimp fishing industry is confronted.

A natural disaster, whether it be a vicious hurricane or an abnormal and unpredictable devastating shortage, such as occurred in 1961 and cited above, is far more than this widely scattered group of individual boat owners and operators can endure. These are the types of disaster which we lawyers term "acts of God."

The request of the shrimp industry is for the extension to this fishery of the principles already firmly established for agricultural disaster aid. We ask only for a crutch to support those direly affected through the temporary period of rehabilitation. These men, these stout citizens who are the pillars of their home communities, are hardworking and resourceful people. They are proud men and pay their debts. They ask only for your consideration in the type of situation caused by natural, unforeseeable disaster with which their own resources cannot cope.

Respectfully submitted.

WILLIAM R. NEBLETT,
Executive Director.

Senator HOLLAND. And you may proceed in your own way.

Mr. NEBLETT. I represent the National Shrimp Congress, Inc., which is a trade association representing the domestic shrimp producers in the Gulf and South Atlantic States, from Texas to North Carolina. The directors of the National Shrimp Congress are officers or directors of the Texas Shrimp Association, the Louisiana Shrimp Association, and Southeastern Fisheries Association, whose membership extend to the Carolinas, Georgia, and Florida. And the very first thing I want to make clear is that we are in no way opposed—as a matter of fact, we heartily endorse the position of the oyster people, and we feel that their analogy to farmers is certainly a very complete one, and perhaps more so than any of the other fisheries.

The interests of the shrimp fisherman have been certainly shown here by this fine delegation from Louisiana, particularly Mr. Willis, Mr. Thompson, Mr. Boggs, and so on, and Mr. Kilgore, I understand, was to have been here this morning and present more or less the attitude of the shrimp industry toward this particular subject.

The bill that was mentioned earlier was Mr. Kilgore's bill in the House, 9375. And unfortunately it hasn't made much progress over there. So that we folks in the shrimp industry are hoping that we might be able to have some relief through the Agriculture Committee rather than in the way this started out. I don't know what has been the holdup on it. We have traditionally looked to the Department of the Interior since the Reorganization Act for help in the area of fisheries and wildlife, and these would normally be things that we would associate with fisheries.

Senator HOLLAND. Before what committees of the other body?

Mr. NEBLETT. I am not sure.

Senator ELLENDER. I think it is Interior.

Mr. NEBLETT. I think it is the Interior Committee.

I would like to point out, although there are scientists who follow me that can do this better than I can, that there is a very close analogy in the fisheries to farming. Now, the shrimp fisherman may not plant, but he certainly goes through many of the other same activities of the farmer. For example, it has a very close association of the shrimp with the subsoil, and with the—not with the water itself so much as the interior base. In our area in Florida, as the Senator well knows, the nursery grounds for the shrimp are in the Everglades National

Park. And the association of the shrimp, which is a burrowing animal, with the mud and soil is such that it certainly feeds in this area. So that we feel that shrimp should be considered, without going into any analogy of finfish or any other type fish, that shrimp should be considered because the shrimp fisherman faces the same general problems with respect to disaster, and that is, both disaster from hurricanes such as occurred in Louisiana and Texas in 1960 and 1961, and then heavy mortality that occurred without any explanation, and for which there is no adequate help at the present time in the way of any legislation.

We hope that the committee will consider favorably including shrimp in this particular area of relief without detriment to the rest of the people; we hope that they would extend these same principles, if they so find it possible, to include the shrimp industry which has been so adversely hit in the last few years.

Senator HOLLAND. Do you have figures showing the size of the shrimp industry and the size of its product annually?

Mr. NEBLETT. Yes, sir. It is a No. 1 U.S. fishery in dollar value. There are over 7,000 vessels and boats in the shrimp industry employing over 15,000 fishermen. That is at sea. The shore installations that support the fishery are much larger than that, probably running to some 70,000 or 80,000 heads of families that are employed in packing and producing and the related supply industries to shrimp. It is the lifeblood of a number of very small communities that depend on this harvest primarily. And I would say that this is particularly true in the gulf area, in Louisiana and Mississippi, where there are small communities of which this is the entire business. And they are wiped out with any type of strongly adverse national disaster such as the hurricane, or complete failure such as occurred in 1961. The statistics that have been maintained by the Bureau of Commercial Fisheries over many years are very valuable things to have. They will show you that in 1961, because of some unexplained national factor, the shrimp crop was 40 million pounds less than it had ever been. And these people are mostly individual, rugged entrepreneurs, and they can't stand this type of adversity. They could do with a small crop for a year or two, and perhaps hope to make out like the farmer does on an average type of basis, good years and bad years.

But these hurricanes and these tremendously unexplained national disasters are something that the individual can't cope with. These are not big businesses like the electric companies and things of that nature; these are small businessmen who are the pillars of their communities and small towns, the economy of which is very heavily dependent on shrimp.

Senator HOLLAND. You haven't mentioned the small boatyards that are affected, and those who make the nets and equipment that support the shrimp industry.

Mr. NEBLETT. That is true. There are a great number of them.

Senator HOLLAND. There are two boat workers in St. Augustine that turn out nothing but shrimp boats, and they are very skilled in turning out wooden boats. There are not many shipyards left that turn out wooden boats.

Mr. NEBLETT. The shrimp boats are largely wooden, perhaps not 1 percent of them are steel. So this is the business for the artisan shipyard worker, the construction, transportation, icing, fueling—

there are a large number of industries here. And of course the finished product employs a large number of people, a lot of whom are otherwise unemployable. They are marginal labor. And recently Congress was kind enough to include them under the minimum hour bill, which has put another burden on the producers.

Senator HOLLAND. Did you say kind or unkind?

Mr. NEBLETT. I use the word in quotes. It depends on the point of view. It did hit the industry hard, but it is a graduated raise, and they will manage to meet it. They have a lot of other problems besides this problem. As the Senator knows, we have talked about quotas for imports and things like that, but with the present attitude of the administration, that looks like it is out the window, and nothing is going to be protected as much as it is going to be unprotected again.

Senator HOLLAND. You mean imports from Mexico and other Latin American countries?

Mr. NEBLETT. Mostly from the Far East. We are pretty friendly with our Latin neighbors. And they have stable and developed industries, and we have managed to get along. But shrimp are found most everywhere in the world. And when these new sources come in and dump it on the market, that gets us all in trouble.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. Senator, I was very much interested in your presentation. It is very good. But I want to try to get in my mind the area that you are suggesting to be covered here.

Now, the shore installations, the shrimp canners, processors, those businesses that you refer to, they are covered by small business now, aren't they?

Mr. NEBLETT. Generally they would be covered by small business; yes, sir.

Senator BOGGS. I was just trying to get in my mind the area you wanted to be covered.

Mr. NEBLETT. The owners and operators of shrimp boats, the producers of the crop, the farmers of the sea, in other words.

Senator BOGGS. And his damage comes from—where he needs help is his investment in his equipment?

Mr. NEBLETT. That is correct, sir. And that will be mostly boats, and in some instances some allied shore installations that take care of the particular product as it reaches the dock, not further on in the final processing of the material, but the facilities—if you wipe out the dock, the boat can't land there. I am not talking now about canning the shrimp or freezing it and putting it into portions for public consumption, but the raw products.

Senator BOGGS. Thank you.

Senator ELLENDER. Is this difficulty primarily due to hurricanes, or is it due to the shift of the shrimp from one place to another in the gulf?

Mr. NEBLETT. No, sir. The shrimp stocks in the gulf don't shift a great deal. They are confined to areas. For example, the shrimp that are down in the Key West area and the Tortugas area are not all around the gulf. They are stocks that are generally local in nature; they may wander a short distance. I understand that the boats in the

neighboring States fish the Louisiana waters which have always been very rich in shrimp. But in 1961 Louisiana had the smallest crop in 30 years.

Senator ELLENDER. That is because many boats from other areas came and got what we had.

Mr. NEBLETT. No; they keep a record of those Mississippi boats that come over there. Mr. McKernon can tell you that.

Senator ELLENDER. I am just wondering about the same things that Senator Boggs brought up here, how to treat the situation. It has been a big concern to me. I remember that during the recent storms the Small Business assisted considerably in rebuilding quite a few of the factories that were damaged.

Mr. NEBLETT. Yes, sir.

Senator ELLENDER. And I think some of the boatowners got assistance by borrowing and giving their boats as security. Now, what else would you want? Suppose, like in my area, they say that shrimp are scarce—it is better now, but last year it was the shortest crop we ever had. What was the cause of it, do you know?

Mr. NEBLETT. No, sir. The Bureau of Commercial Fisheries scientists have not been able to determine what this one thing is that has happened. And they are doing an additional amount of research to try to find this out. We have asked for extra funds, which the Senator has voted for.

Senator ELLENDER. I was instrumental in putting that in the Interior bill, and I hope it remains.

Mr. NEBLETT. I hope so. These are acts of God, you may say.

Senator ELLENDER. I understand. The assistance you are asking for is for loans in the meantime until the time comes when we might discover the cause and might replenish these beds where the shrimp formerly were plentiful?

Mr. NEBLETT. A tide-over, a temporary sort of situation. I would say that normally an adverse year such as we had in 1961 would not occur with any great frequency. We normally know that there are cycles of large and small production. But this was something like a bolt out of the blue, and it followed the hurricane of the previous year, and we had two hurricanes in a row where this thing just knocked the props out from under the people.

Senator ELLENDER. I know the shrimp industry in my area was in a very bad way financially. There was nothing I would like better than to assist them. And I have been racking my brains to find a way to do it. And I have suggested that should the oystermen be given advances here as farmers, that we add shrimpers.

Mr. NEBLETT. That was my hope, sir, that the committee would see fit to do that.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. No questions.

Senator HOLLAND. Thank you very much, Senator Neblett. Your statement will appear in the record in full.

We will come back to the organizations who are here. Mr. Virgil Highfill, Assistant Administrator, the Farmers Home Administration.

STATEMENT OF J. VIRGIL HIGHFILL, ASSISTANT ADMINISTRATOR,
FARMERS HOME ADMINISTRATION, U.S. DEPARTMENT OF AGRICULTURE

Mr. HIGHFILL. I have with me Mr. Howard Campbell from the General Counsel's Office, and Mr. Jack Frost, who is Director of our Emergency Loan Division in the Farmers Home Administration.

Mr. Chairman, I do not have a prepared statement. I think we testified on this particular bill, 946, before the House Agriculture Committee, and we did not have any objection to the inclusion of oyster planters in the emergency loan authorization and the Farmers Home Administration presently has. But I would certainly like to make it clear to this committee that we are not experts on oyster farming in any respect, and if the Congress should see fit to give this authorization to the Department of Agriculture, to be administered by the Farmers Home Administration, we would certainly do the very best we could to administer it in accordance with the act.

Senator HOLLAND. As I gather, you are not supporting or opposing this measure?

Mr. HIGHFILL. We are not seeking any additional authorization, I will put it that way, Mr. Chairman, because this is entirely a new field for the Farmers Home Administration. We have not been engaged in this type of activity before, and it would require a good deal of additional knowledge on the part of our people to cope with a situation like this.

Senator HOLLAND. I believe your report suggests that the Department of the Interior is much better equipped to handle this type of activity.

Mr. HIGHFILL. We would agree with that; yes, sir.

Senator HOLLAND. Because of its jurisdiction over marine fisheries?

Mr. HIGHFILL. Certainly.

Senator HOLLAND. Now, the question was raised by Senator Talmadge—I am sorry he had to go—as to the type of security that could be given, particularly on the leased beds, leased from the State. Do you have any comment to make on that?

Mr. HIGHFILL. That is one of the problems, Senator, that bothers us considerably, because, as you know, in connection with our emergency lending we do have an opportunity to take security for those loans on the crops to be produced, and in many instances on equipment that the farmer may own, and in addition, in some cases, on his real estate, if he happens to be an owner.

And this in connection with oyster loans would bother us considerably, because as I have indicated, we are totally unfamiliar with that activity. But if the Congress should see fit to give us that activity, we would do our best to learn about it and come up with a criteria that would be used in the making of such loans. Some years ago, you may recall, the Farmers Home Administration of the Department of Agriculture was given the authorization to make fur loans.

Senator ELLENDER. I was going to bring that up. How did you handle that?

Mr. HIGHFILL. That was also a new field of endeavor for the Farmers Home Administration. But we set about learning the fur business, the fur farming activities, and we think we made a very good record, because we had very good payouts on the fur farming loans

that were made. And it is just a matter of learning all we can about oyster planting, which we will do if we are given this authorization, of course.

Senator HOLLAND. Were your fur farming loans where the lands were public or where the farmer raised his fur-bearing animals?

Mr. HIGHFILL. They were private.

This goes back, I believe, Senator Ellender, prior to the fur farming authorization. Mr. Campbell might correct me if I am in error. But we made loans under the old Farm Security Administration to muskrat owners; muskrat loans they were called. And that is the closest comparison to the oyster farming activities, because they had leased lands, as I recall.

Senator ELLENDER. That is correct. They had leased lands, and there were some loans made on the catch.

Mr. HIGHFILL. That is right.

Senator HOLLAND. But most of your activities were on owned lands where the fur bearing animals were artificially produced?

Mr. HIGHFILL. That is right.

Senator HOLLAND. Are you still making that type of loan?

Mr. HIGHFILL. No, that authorization expired some time ago.

Senator HOLLAND. The fur farms still exist, don't they?

Mr. HIGHFILL. Yes.

Senator HOLLAND. Where do they go for loans, if to any Government agency?

Mr. HIGHFILL. Senator, I am not sure that I can answer that.

Mr. Frost reminds me that we continue to make some loans to fur farmers where they are family farm operators, under our regular operating loan program. That would be an enterprise within the family farming setup.

Senator HOLLAND. That is where they own their land and have their fence and so forth and raise their animals?

Mr. HIGHFILL. That is correct.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. Mr. Chairman, I would like at this point to bring out the fact that it is my impression that at least in the Delaware, that there are relatively few oyster planters or oyster farmers, and with the Farmers Home Administration already located and established, with an office staff and setup there, it would occur to me that with, as we have brought out, some technical advice, that we already have the setup to process the cases.

Mr. HIGHFILL. We have the organization and the mechanics for making loans in all of the States and in all of the agricultural counties throughout the United States, that is true.

Senator BOGGS. I would think in the Delaware area that there would not be more than, on the outside, a hundred oyster planters and farmers as distinguished from oystermen. There are many oystermen, tongers and so forth, in public waters who do not have a rented bottom, but they would not fit in this category.

Mr. HIGHFILL. I hope I did not leave the wrong impression. I should have indicated that we do have the organization and the mechanics for making loans. This would be a new activity, a new loan for which we would have to become proficient in the technical aspects of oyster farming in order to do the kind of job that would need to be done if we were in that activity.

Senator BOGGS. Thank you.

Senator ELLENDER. Will you tell us of any loans that you make that are not connected with farming organizations?

Mr. HIGHFILL. If I get your question, Senator Ellender, the only loan that we make that is not directly connected would be our rural housing loan, which can be made to nonfarmers in rural areas. And I suppose that is the closest nonfarm loan that we make. That is authorized, of course, under the Housing Act.

Senator ELLENDER. And that, you say, is not connected with farming, but it is closest——

Mr. HIGHFILL. It doesn't have to be. It is on a small tract located in what we would term a rural area.

Senator ELLENDER. Reverting to the loans made for fur, they were declared to be fur ranches. I think the act that authorized it classified these producers of fur as farmers.

Mr. HIGHFILL. Fur farmers.

Senator ELLENDER. And the same application is now asked to be made——

Mr. HIGHFILL. Proposed for oysters and shrimpers.

Senator ELLENDER. Yes, sir.

Senator HOLLAND. Oyster planters.

Senator ELLENDER. There is no doubt that oysters are planted, they are gathered and planted and cultivated the same as any agricultural commodity. And as far as the shrimping is concerned, that would be a little bit different. But in my humble judgment, as has been suggested on two or three occasions, if we could establish all of this in one department that has to do with fisheries, it might be better.

Senator HOLLAND. I notice that in the report not only is the section quoted—and it used the term “oyster planters”—but in the report this wording appears, “In this connection it will be noted that the committee has used the words ‘oyster planters’ rather than ‘oystermen’ to distinguish the operation described above from that of searching for oysters in the open sea and harvesting them from wild beds.”

I would gather from that that the House bill is designed to take care only of those who have a fixed situs and plant their oysters.

Mr. HIGHFILL. I judge that is the objective; yes, sir, Mr. Chairman.

Senator HOLLAND. And that the oystermen who run into disaster who gather their oysters from public waters without having planted them would not be taken care of under this proposed legislation?

Mr. HIGHFILL. I would assume that they would not be eligible.

Senator HOLLAND. Would that be your thinking, Mr. Campbell?

Mr. CAMPBELL. Yes, Mr. Chairman.

Senator HOLLAND. Of course, they might be subject to disaster just as real and just as great as the oyster planters.

The question becomes a difficult one, how to cover the people that are entitled to be covered, and how, it seems to me, to treat people equally by the new legislation.

Mr. HIGHFILL. We are highly sympathetic to the difficulties of the oyster planter. And we are not in any way objecting to their getting some assistance. I just wanted to make it clear that we are not experts in marine life loaning activity. It would be a new endeavor for which we would have to prepare in order to do the kind of lending job that would be necessary if we are given this authorization.

Senator HOLLAND. Thank you, sir.

Mr. HIGHFILL. Thank you, Mr. Chairman.

Senator HOLLAND. Mr. Donald L. McKernan, Director of the Bureau of Commercial Fisheries of the Department of the Interior. Mr. McKernan.

STATEMENT OF DONALD L. McKERNAN, DIRECTOR, BUREAU OF COMMERCIAL FISHERIES, U.S. DEPARTMENT OF THE INTERIOR

Mr. McKERNAN. Thank you, Mr. Chairman. We have presented to the committee a report on this particular legislation.

Senator HOLLAND. That has been included in the hearing record.

Mr. McKERNAN. Perhaps I should just comment briefly on this, relating it to some of the comments that have been made by committee members this morning.

Essentially, it is true that the oyster industry has a great many similarities to other fishing industries in the United States. But on the other hand, it is equally similar to farming in most respects. The oyster spat or oysterseed is oftentimes caught in private ground or private beds and transplanted like certain young plants of various agricultural crops are transplanted and sometimes are grown, and the oysterbeds are in a sense weeded and sometimes treated with insecticide, and sometimes transplanted from one particular section of the oysterbed to another, and then are harvested at regular intervals, a good deal like agricultural crops.

At the same time, of course, as you have pointed out this morning, it has similarities in some respects to other marine fisheries. But as I sit here this morning, I am aware of the thousands, in fact hundreds of thousands of acres of very valuable land at the edge of the sea, potential oysterland. And knowing as I well do the grave difficulties that are facing our oyster industry today, I feel a great need for some legislation, some help, especially for problems coming about through disasters, and the serious disasters that have hit these real farmers of the sea who are in a precarious and hazardous location at the edge of the sea.

They are subject to such disasters as hurricanes and floods; inland floods which bring down large quantities of fresh water onto the oysterbeds and cause natural disasters; they are subject to such things as Senator Boggs' oystermen have experienced, sometimes new, unknown, unexplained, and undescribed diseases. And they are and have been for a number of years, perhaps forever, subject to greater fluctuations in their natural environment than most of our fisheries and fishing industries. The fact that our Nation could benefit greatly from a better and more full use of these shallow estuarine areas along our great coastline leads me to believe strongly that it would be in the national interest for us as a nation to provide some kind of help.

Now, I do feel that the Department of the Interior can provide this if the Congress in its wisdom provides such legislation. But I also feel that this current legislation before this committee would also provide substantial aid to this industry, especially at this particular time when such aid is needed.

Senator HOLLAND. Do you have any comment on the careful limitation of this proposed legislation to those who plant as compared to those who only gather and haven't planted?

Mr. McKERNAN. This is a distinction which has some difficulties. On the other hand, the oyster planter has an investment, he has leased or purchased his land.

Incidentally, I am not sure that it has been brought up for the record that in many States of our Union the oyster grounds are privately owned; they are not leased, they are privately owned. But even where they are leased I am aware, and it is a fact, that these lands have considerable value. So that they are not valueless lands; they have value which would be a basis for the loans, not only on the crops and equipment, but also on the land itself, even though this land might be leased.

Now, the difference between the oyster farmer and the oysterman is—perhaps one could conceive of this as being the difference between one who had considerable investment—in a sense plowing his land and keeping it up—as Senator Ellender has mentioned earlier. In many parts of the country the oystermen put considerable investment in keeping their lands productive. In some places they even plow their lands now to get rid of heavy silt that has come down from floods from the fresh-water areas of our country.

They also carry out other methods of keeping their lands free from pests and predators of various kinds. So that they have put a considerable investment in their lands. On the other hand the oysterman is in a sense a hunter. He goes out and takes advantage of the natural reproduction, and does not have an investment to the same degree. Now, he does have an investment, in fact he is having some economic difficulty. My own view is that our oyster land should be farmed to a much greater degree, and that the old, in a sense old-fashioned type of hunting for oysters is probably going to become less and less important here in the United States. Intensive farming, using in a sense every intensive agricultural method to a considerable degree, probably would increase the productivity—that is, the production per acre of our oyster lands perhaps severalfold.

I have talked this over with a number of oystermen, and I have followed this quite a long time in my own career. I used to do research in oysters on the west coast of the United States.

So I believe that more intensive farming methods is going to be the answer to greater productivity of these great estuarine shallow water areas of our coastline.

Senator ELLENDER. If this committee should decide to assist, don't you think that the assistance should be relegated to those who actually take the seed and cultivate it and rent beds for the growing of oysters? I can well remember in my own State at one time oysters grew wild all over the place. And a lot of oystermen made their living by gathering them here and there without leasing from the State.

Mr. McKERNAN. They were in great reefs; oyster reefs.

Senator ELLENDER. And the State set aside some of these reefs and gave permission to oystermen to get small oysters from these reefs and replant them in another area, and grow them. And as far as I am concerned, that is what I would define an oyster farmer to be, one who either grows the seed himself or takes it from some bed or even gathers

it from other areas, what you call wild oysters, but the idea is to plant them and take care of them and cultivate to the end that they will be edible.

Mr. McKERNAN. Yes; I have the same concept.

Senator HOLLAND. This act apparently so limits its application.

Mr. McKERNAN. Yes.

Senator HOLLAND. I have seen, and I suppose we have all seen, the oystermen down near the mouth of the Potomac grappling with tongs on the bottom. Are those in leased beds, or are they just in the general shallows of the river bottom?

Mr. McKERNAN. I believe I am correct in saying that these oyster tongs operate in both circumstances, Mr. Chairman.

Senator HOLLAND. Senator Boggs.

Senator BOGGS. Mr. Chairman, I get the impression from the doctor's testimony that you feel that there is an immediate need for this relief right at this time.

Mr. McKERNAN. Yes, I do, Senator.

Senator BOGGS. And while you might favor an enlarged concept where the marine fisheries were generally in the Interior Department, to meet this immediate need would be a step in the right direction?

Mr. McKERNAN. Yes. I certainly do not wish to give the impression that such grave and important resources as the shrimp industry does not need some aid along similar lines, because—that is quite opposite from my thinking, as has been pointed out to you gentlemen, the shrimp industry is the most valuable industry, it has suffered from a number of problems, and we have been working very closely with industry, as pointed out by Senator Neblett, to attempt to formulate a national program with States and the Gulf States Marine Fisheries Commission and the Atlantic States Marine Fisheries Commission, to attempt to resolve these problems.

Some of them are short range and some of them are long range. On the other hand, this particular legislation would most certainly assist the oyster industry at the present time during a period of great and immediate need.

Senator HOLLAND. I want to ask this question. It seems to me that the way this act is limited to oyster planters, as it comes over from the House, it would preclude the addition of the shrimp, the sponge, the clam, the scallop, and these other industries, unless the wording were so changed as to make it generally applicable to oystermen, wouldn't it? There wouldn't be any justification or logic at all to limiting it in the oyster-gathering field to those that plant, excluding the others, the oystermen, and at the same time to include these other industries, none of which do planting.

Mr. McKERNAN. If I understand your question, I would be inclined to agree with you; that is, if this language were to be broadened to include the shrimp industry, sponge fishermen, clam fishermen, then it would be also necessary to broaden it to include oystermen in general.

Did I understand you correctly?

Senator HOLLAND. That is right. It seems to me that the concept of the authors of this bill was so limited as to make that concept, at

least, inapplicable to other industries where there isn't any planting or cultivation that is comparable to agriculture. Now, that doesn't mean that this committee couldn't, if it thought well of it, enlarge the coverage of the proposed amendment to include all oystermen. The point I am trying to get at is that unless that were done, it would certainly be inappropriate to add these other marine fishing industries.

Mr. McKERNAN. Mr. Chairman, I would agree with you.

Senator HOLLAND. Thank you very much, doctor. We have a tough one.

Senator Boggs.

Senator BOGGS. Just one other question, Mr. Chairman, if I may.

Overall, what is the size of the oyster industry in terms of dollars, commercial oyster planting?

Mr. McKERNAN. The oyster industry is probably worth about \$35 million a year at the point of delivery. This is one of the major industries of the United States, and it has always been a very important industry. It has declined in value to a considerable degree because of industrialization in the important oyster areas, and because of these problems which have not been corrected. Oystermen as a whole are small business people, they sometimes do not have the capital that it takes to repair the damages from natural ravages such as the oystermen in Delaware have recently experienced.

So the oyster industry has declined some. And we are very hopeful that with the proper amount of research and attention and perhaps some form of loans which could sort of tide them over and give them a little better prospect for getting additional capital, that this tide can be turned. I don't think technically there is any reason why the oyster industry couldn't be multiplied severalfold in the United States; there is no technical reason for this. A combination of things have held this back, but I am optimistic over the long haul.

Senator BOGGS. Did you say about \$35 million?

Mr. McKERNAN. Yes.

Senator HOLLAND. What do you mean by point of delivery?

Mr. McKERNAN. I meant the oystermen themselves. This is the first value as compared with, say, a retail value which might be three times this much, something of that order.

Senator HOLLAND. You mean before the oyster is shucked?

Mr. McKERNAN. Yes.

Senator HOLLAND. Just when it is delivered to the oysterhouse?

Mr. McKERNAN. Yes.

Senator HOLLAND. What is the comparable value, let's say, of the shrimp industry?

Mr. McKERNAN. It is about twice that approximately.

Senator ELLENDER. I thought it was more than that.

Mr. McKERNAN. Perhaps even \$80 million.

Senator BOGGS. I actually thought the oyster industry was more than that too. But I haven't anything to support my thinking on it, except the distinction you made. At the point of delivery to the shore, that is the value, probably.

Senator HOLLAND. I wonder if you would mind furnishing for the record today from the records of your Department, the value, let's say over the last 2 or 3 years, I would say 1959, 1960, and 1961, if that is agreeable to the other members of the committee——

Senator ELLENDER. Make it 5 years.

Senator BOGGS. Five years.

Senator HOLLAND. Over the last 5 years of the oyster industry, the shrimp industry, the clam industry, the lobster industry.

Are there others that you would like to have added to that?

Senator ELLENDER. At the point of delivery.

Mr. McKERNAN. You understand that we have really two lobster fisheries, in fact three, the New England lobster fishery that many of us are familiar with, and then there is a southern Atlantic lobster fishery——

Senator HOLLAND. The crawfish.

Mr. McKERNAN. Yes, the crawfish, or the spiny crawfish—you are not speaking of that, you are speaking of the actual lobster?

Senator HOLLAND. Yes.

Mr. McKERNAN. I might say that I just gave these figures off the top of my head.

Senator HOLLAND. That is the reason the committee agrees that we would like to have exact figures over 5 years to give us some basis of comparison.

Are there other industries that are comparable that you would like to add?

I don't think the scallop industry is a large one.

Mr. McKERNAN. It is rather important.

Senator ELLENDER. You might include crabs also.

Mr. McKERNAN. Crabs and lobsters would be easy to supply. These are the major shell industries.

Senator BOGGS. I think the crabs and the scallops would be very good.

Senator HOLLAND. Thank you very much, Doctor. We would like to be educated.

(The information is as follows:)

DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
BUREAU OF COMMERCIAL FISHERIES,
Washington, D.C., July 10, 1962.

HON. SPESSARD L. HOLLAND,
*Chairman, Subcommittee on Agricultural Credit and Rural Electrification,
Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.*

DEAR SENATOR HOLLAND: At the conclusion of the hearing on H.R. 946 held July 9, 1962, we were asked by the committee to furnish for the record the dollar value of the U.S. catch of certain shellfish at the time of landing. There is enclosed a tabulation containing such information for the 5 most recent years for which the information is now available.

The landed value of oysters during this period does not adequately reflect the decline in the amount landed because scarcity has had an effect upon the unit price. We have therefore added a tabulation to show the actual oyster landings in pounds of meat for the same period.

Sincerely yours,

DONALD L. MCKERNAN, *Director.*

EMERGENCY LOANS TO OYSTER PLANTERS

Landed value of U.S. catch of certain shellfish, 1956-60

[Thousands of dollars]

Year	Clams	Crabs, blue	Lobsters, northern	Oysters	Scallops, sea	Shrimp
1956-----	10, 736	6, 660	11, 908	30, 884	10, 822	70, 894
1957-----	11, 255	7, 483	11, 512	29, 406	10, 180	73, 145
1958-----	10, 526	6, 813	13, 218	30, 442	9, 140	72, 930
1959-----	11, 504	8, 046	14, 468	29, 483	11, 805	58, 133
1960-----	12, 049	9, 176	14, 251	29, 242	9, 266	66, 932

U.S. oyster catch, 1956-60

	<i>Thousands of pounds of meat</i>
1956-----	75, 134
1957-----	71, 658
1958-----	66, 396
1959-----	64, 710
1960-----	60, 010

Senator HOLLAND. The committee will rise.

(Whereupon, at 11:45 a.m., the committee adjourned, subject to the call of the Chair.)

(Additional statement filed for the record is as follows:)

STATEMENT FILED BY HON. WILLIAM M. COLMER, REPRESENTATIVE IN CONGRESS.
FROM THE SIXTH CONGRESSIONAL DISTRICT OF MISSISSIPPI

Mr. Chairman, I appreciate this opportunity to record my interest in the pending bill, H.R. 946, and, more specifically, in the proposed amendment to this bill to extend to shrimp as well as oyster fishermen the disaster relief authorized in section 321 of the Agricultural Act of 1961 (Public Law 87-128).

H.R. 946 was originally designed to provide low interest rate loans to oyster planters so adversely affected by recent destructive storms in the Atlantic. It is now apparent, however, that the shrimp industry has suffered an even worse disaster. Because of some puzzling biological phenomenon, the shrimp catch last year was some 50 percent below normal. As a result, the fishermen and others engaged in the shrimp industry are in dire need of financial assistance. The proposed long-term, low interest rate loans would go far toward relieving the emergency situation.

As you know, Members of the House from all the Gulf States have petitioned your committee to adopt an amendment to give shrimp fishermen the same relief provided in H.R. 946 to oyster planters. I was glad to join in this request, on behalf of my constituents who depend on the shrimp industry for a livelihood. The city of Biloxi, Miss., has been the largest shrimping port in the country during the overall period of this century, and the shrimp industry is vital also to the economy of other ports on the Mississippi gulf coast. The whole area has suffered because of the small shrimp catch.

When disaster in the form of excessive rail or windstorms befalls our farmers, our Government provides low-interest, long-term loans to help our farmers rehabilitate themselves. Similar disaster loans are needed by oyster planters and shrimp fishermen because of the calamities that have struck them.

I, therefore, urge this committee to act favorably on H.R. 946 and to report it with an amendment extending coverage to the shrimp fishermen.

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HEARINGS

BEFORE THE

COMMITTEE ON AGRICULTURE

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

ON

CONTINUATION OF CURRENT DAIRY PRICE SUPPORT LEVEL

H.J. RES. 613 AND 614, FEBRUARY 6, 1962

IMPORTATION OF ADULT HONEYBEES

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Printed for the use of the Committee on Agriculture

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1962

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MONDAY, MARCH 19, 1962

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CONSERVATION AND CREDIT
OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to call, at 2 p.m., in room 1310, New House Office Building, the Honorable W. R. Poage (chairman of the subcommittee) presiding.

Present: Representatives Poage, Gathings, Johnson, Stubblefield, McIntire, Short, and Dole.

Also present: Christine S. Gallagher, clerk; Hyde H. Murray, assistant clerk; and John J. Heimbarger, counsel.

Mr. POAGE. The subcommittee will please come to order.

We have our colleague, Mr. Downing, of Virginia, with us.

We have before us at the present H.R. 946 by Mr. Downing, which is a bill for the oyster planters.

(H.R. 946, and the report of the Department dated September 22, 1961, is as follows:)

[H.R. 946, 87th Cong., 1st sess.]

A BILL To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2(a) of the Act entitled "An Act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes", approved April 6, 1949, as amended (12 U.S.C. 1148a-2(a)), is amended to read as follows: "The Secretary is authorized to make loans (1) to farmers and stockmen for any agricultural purpose and (2) to oyster planters for any purpose relating to the planting, cultivation, and growing of oysters, in any area or region where he finds that a production disaster has caused a need for credit for such a purpose which is not readily available from commercial banks, cooperative lending agencies, or other responsible sources."

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, September 22, 1961.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture, House of Representatives,
Washington, D.C.

DEAR MR. COOLEY: This is in response to your request for a report on H.R. 946, a bill to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

Pursuant to section 2 (a) of Public Law 38, 81st Congress, as amended, the Secretary of Agriculture is authorized to make loans to farmers and stockmen for any agricultural purpose in any area or region where he finds that a produc-

tion disaster has caused a need for credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources. This authority has been interpreted to authorize loans for the production of crops, livestock, and livestock products rather than the production of oysters or other marine life or products. For this reason, loans have not been made in the past for purposes related to the planting, cultivation, and growing of oysters. H.R. 946 would authorize loans for these purposes.

This Department believes the Department of the Interior would be in a better position to make a recommendation as to whether Government loans should be made to oyster planters. The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours ,

ORVILLE L. FREEMAN, *Secretary.*

**STATEMENT OF HON. THOMAS N. DOWNING, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF VIRGINIA; ACCOMPANIED BY
DAVID H. WALLACE, EXECUTIVE DIRECTOR, OYSTER INSTITUTE
OF NORTH AMERICA**

Mr. DOWNING. Thank you, Mr. Chairman and gentlemen.

I have with me Mr. Dave Wallace, executive director of the Oyster Institute, whom I would like to have sit beside me.

Mr. POAGE. We will be glad to have you do so.

Mr. DOWNING. I appreciate your taking the time to hear this bill, because I know exactly how rushed you are.

H.R. 946 which I introduced in January of 1961 amends 12 U.S.C. 1148a-2(a) of an act entitled, "An Act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia," so as to include an oysterman as a farmer for purposes of obtaining FHA loans in times of disaster.

If you will recall, Hurricane Donna is a good example of a disaster which occurred in 1960. Hurricane Donna swept up the coast—swept over the oyster beds—swept over the crops mainly on the eastern seaboard of the Atlantic.

The farmers could get loans if they qualified from the FHA for their crop damage.

The oysterman could not get any loans.

The oysterman is similar to a farmer in that an oysterman plants his crop as a farmer does. He harvests as a farmer does, except it is under much less controlled conditions than the farmer has.

That same storm, Hurricane Donna, affected both of these people, yet the oysterman could get no help at all.

Previously, the Small Business Administration did make loans to oystermen who were in distress, but the Small Business Administration has taken a position that they are leaning a little bit far to include that as a permanent measure. The Small Business Administration has, however, cooperated to the fullest in every disaster, and they have opened the facilities of that program and their offices to the oystermen.

Just last week we had a devastating storm that suddenly hit the coast without warning, which you gentlemen have all read about.

Our fisheries officials in Virginia, as is the case with the rest of the Atlantic seaboard, indicate that many of the oysterbeds have been destroyed. They will have to be replaced.

The Small Business Administration again came to the rescue, even though it was leaning backward to include the oystermen, and are now making emergency loans to these people. But we contend that the oysterman is entitled to the same disaster protection that the farmer has under the provisions of FHA, and for that reason I introduced this bill.

I would deeply appreciate any consideration that you can give to it, and if the Chair and other gentlemen have any questions I will be glad to attempt to answer them.

Mr. POAGE. You got the Small Business Administration to make loans?

Mr. DOWNING. That is correct.

Mr. POAGE. You think that you would be better off if you could have the authorization for the Department of Agriculture to make the loans—you think that would be better?

Mr. DOWNING. We have no assurance that the Small Business Administration will continue this policy.

Mr. POAGE. I know that you haven't, but you have the certainty that, if this bill passes, then they will quit?

Mr. DOWNING. That is true. We figure we would be better off under the provisions of the FHA program, which is permanent and always there, than we would under the provisions of the Small Business Administration program.

Mr. POAGE. That is right. You are willing to take that gamble?

Mr. DOWNING. Yes, sir.

Mr. POAGE. Are there any other questions?

Mr. JOHNSON of Wisconsin. Your contention is that they are farmers and not businessmen?

Mr. DOWNING. Well, farming is a business.

Mr. JOHNSON of Wisconsin. I know that.

Mr. DOWNING. An oysterman is a farmer.

Mr. JOHNSON of Wisconsin. The Small Business Administration does not care to make loans to people who are classified as farmers.

Mr. DOWNING. That is true; that is true. The gentleman is correct.

Mr. JOHNSON of Wisconsin. Thank you.

Mr. SHORT. How large are these FHA emergency loans? In the majority, are they not loans that may run from \$500, \$600 to \$2,000 or \$3,000 for relatively small farms?

Mr. DOWNING. I am advised that they would range from about \$2,000 to around \$10,000.

Mr. SHORT. To \$10,000?

Mr. DOWNING. Yes, sir.

Mr. SHORT. Also, the Farmers Home Administration, in these emergency loans, has some means of taking some security—maybe in the nature of a second mortgage. Would there be any security that the oysterman could offer?

Mr. DOWNING. Sir, he would have, as in other cases, his personal assets which would be collateral. He would have his plant, which these oystermen usually have, and his boats and any equipment that may be needed, but other than that I do not know of any collateral.

Mr. SHORT. The fact that the Small Business Administration has made some of these loans would seem to indicate that there was some means of supplying some security inasmuch as they require security of some kind, I believe.

Mr. DOWNING. Yes, sir; the gentleman is correct. They are not going to make a loan if they do not have a pretty good assurance that it will be repaid. In that connection I may add that oystermen are unique people—they are a hardy lot and they believe in paying their debts. The records will show that the oystermen repay their loans. They are subject to all types of disaster. They are wiped out occasionally, but they will repay their debts.

Mr. SHORT. The farmer has a pretty good record of repayments, too.

Mr. DOWNING. I did not mean to omit them. They do have a good record.

Mr. JOHNSON of Wisconsin. Do they have a lease, or do they own the land, or what?

Mr. DOWNING. The State has rocks which are leased under the provisions of State law to the independent planters. There are instances where the planter himself owns the rock or has made the rock himself.

Mr. JOHNSON of Wisconsin. Is there any way that they can mortgage that?

Mr. DOWNING. No, sir. That is not permitted by law.

Mr. STUBBLEFIELD. Is this not on the ocean?

Mr. DOWNING. The damage occurred last year on the oceanside, the southeast Atlantic seaboard. This terrific wave and combination of wind just swept without notice—these people had no notice, as you saw in the newspapers. The little town of Chincoteague, the island, was inundated and swept over. And it swept all up and down the coast from Virginia Beach and Ocean City, destroying a great many of the oysterbeds in that area.

Mr. STUBBLEFIELD. I used to eat oysters that came out of Lynnhaven Bay.

Mr. DOWNING. That is in my district, and it is a fine oyster.

Mr. STUBBLEFIELD. Is that where your beds are, in Lynnhaven Bay?

Mr. DOWNING. Yes. Some of those Lynnhaven oysterbeds have been covered up and are no longer usable. There are still some coming out of Lynnhaven.

The oyster industry is possessed with many other difficulties that I will not bother you gentlemen with. One is a new virus MSX which has appeared up and down the coast, and in addition hard winters. And they are now subject to the provisions of the minimum wage law. You have to pay shuckers \$1 an hour. It has many obstacles. I do hope that we can do something so that all of us can continue to enjoy oysters for a little while to come.

Mr. McINTIRE. Mr. Downing, if my recollection is correct and not in error—perhaps you have already examined this matter—in the early days of the Farm Credit Administration, oyster production came within the jurisdiction of this lending authority. I think it would be appropriate, Mr. Chairman, if in the consideration of this bill we examined the authority that is there, because that is agriculture, and we may find an interesting story.

Of course, we might be able to appropriately consider this bill in the context of that.

Mr. DOWNING. The gentleman is correct. Under date of April 12, 1961, the General Counsel of the Farm Credit Administration, Mr. Paul O. Ritter, wrote to Mr. Hyde H. Murray, assistant clerk of the

Committee on Agriculture, setting forth the provisions which they have for farmers, which was done in 1934 by an act of Congress. There is available under certain circumstances under that act money, but that act requires up to 7 percent interest and requires rather high collateral.

I believe that the gentlemen from the Small Business Administration would agree that it would not be applicable in times of distress.

Mr. McINTIRE. Your point is well taken there.

Mr. DOWNING. The precedent is there.

Mr. McINTIRE. My point was that the precedent is there. And it is agricultural. Whether or not those services are adaptable to this is another issue. But, certainly, there is an area there to establish some interest in the point in relation to whether they could be classified as farmers.

Mr. DOWNING. You are right, Mr. McIntire. That letter sets that forth.

Mr. McINTIRE. Is that part of the record?

Mr. POAGE. It has not been made part of the record.

Mr. McINTIRE. Could it be made, sir, a part of the record?

Mr. DOWNING. I will be delighted to make this a part of the record. (The letter dated April 12, 1961, follows:)

FARM CREDIT ADMINISTRATION,
Washington, D.C., April 12, 1961.

Mr. HYDE MURRAY,
*Assistant Clerk, Committee on Agriculture,
House of Representatives, Washington, D.C.*

DEAR MR. MURRAY: This is in reply to your letter of March 23, 1961, as to the legal status of oyster farmers in regard to their eligibility for loans from any of the banks or associations which are under the supervision of the Farm Credit Administration.

By an act of Congress approved June 18, 1934 (48 Stat. 983), the production credit associations were specifically authorized to make loans to oyster planters and any such loans made by the associations are eligible for discount at the Federal intermediate credit banks or as security for loans or advances from such credit banks (12 U.S.C. 1131g-2). As originally enacted, this authority provided for loans only to oyster planters "who are carrying on their operations under leases of oyster beds granted by any State or political subdivision thereof" but the quoted words were stricken out in 1935 (49 Stat. 318).

Loans under the foregoing authority have mostly been made by production credit associations in the northeastern part of the country, viz., the Production Credit Association of Southern New England, Hartford, Conn.; the Farmers Production Credit Association of South Jersey, Bridgeton, N.J.; the Production Credit Association of Salisbury, Md.; and the Cape Production Credit Association, Exmore, Va. A possible further source of information to you may be Mr. J. Richards Nelson, Elm Street, RFD 4, Madison, Conn., who presently is a member of the farm credit board for the Springfield district and is one of the large oyster planters. You may also wish to get in touch with the U.S. Fish and Wildlife Service, Department of the Interior, which has information available on the production and marketing phases of the oyster industry.

I hope the foregoing may be of some interest to you and am sorry we could not get it to you sooner.

Sincerely yours,

PAUL O. RITTER, *General Counsel.*

Mr. POAGE. Just as a matter of interest, do they grow these oysters in the ocean? I did not know. I understood that they were all in the bay.

Mr. DOWNING. I am sorry that I misled the chairman. They are in the bays, not in the ocean—they are behind protected ledges of land.

Mr. POAGE. That was my understanding.

Mr. DOWNING. The storm swept over these land barriers and in the process covered up the oyster beds.

Mr. POAGE. Are there further questions? If not, we are very much obliged to you, Mr. Downing. We appreciate your presence here. The Department, I believe, has a statement. We will be glad to have you stay as long as you can.

Mr. DOWNING. Thank you, Mr. Chairman. We appreciate this opportunity to appear before you.

STATEMENT OF DAVID H. WALLACE, DIRECTOR, OYSTER INSTITUTE OF
NORTH AMERICA

My name is David H. Wallace. I am the director of a trade association called the Oyster Institute of North America, with offices at 6 Mayo Avenue, Bay Ridge, Annapolis, Md. Our people grow and ship about 90 percent of all oysters in the United States, and our members are located in 17 coastal states and a number of Midwestern States. We favor strongly the passage of H.R. 946.

We believe that oyster growers are farmers in the same way the tillers of the land are farmers. The oyster farmer does the same things as the land farmer, but with the additional handicap of working his grounds under 5 to 25 feet of water. He grows his own seed or buys it, just as does the land farmer. When the seed oysters are the right size and age, our farmers transplant the seed to their growing beds, or fields if you will permit use of the word in this way. When the crop of oysters has grown and matured the oysters are harvested, packed in various ways and sold through much the same channels as other farm products.

There are several situations where Congress has seen fit to classify our product along with agricultural commodities. We have enjoyed the same exceptions from truck regulations as has certain agricultural products. This exemption was granted many years ago, to recognize that the vicissitudes of nature affect our production just as they affect the production of the land farmer.

The similarity of oyster farming to land farming was recognized in the establishment of the Production Credit Association. Since the middle 1930's oyster farmers have been eligible for crop loans on much the same basis as land farmers. Oystermen in Rhode Island, Connecticut, New York, New Jersey, Maryland, and Virginia have been using this loan service. I am advised that the underwater farmers record of payment has been excellent.

The Internal Revenue Service has recognized the similarity between land and underwater farmers. In tax returns oyster farmers are generally on a cash rather than an accrual basis. The costs of seed and planting are considered direct expense and all sales are considered direct income. This method of tax computation takes into consideration the inability of the oyster farmer to predict what his production will be.

As the committee undoubtedly knows, when oysters spawn the eggs and sperm are shed directly into the water. The eggs are fertilized by chance. After fertilization the free swimming larvae goes through a series of changes. In about 2 weeks the baby oyster settles to the bottom and cements itself to some hard object. The oyster is henceforth a sedentary animal, unable to move from one place to another without assistance from man or from extreme turbulence created by storms. After the oysters have grown for a few months they are called "seed" and are ready for transplanting. If they are left in the seedbeds they become overcrowded as they grow, and are unable to mature properly. They are removed then from the seedbed and transplanted to so-called growing grounds, where they remain from 2 to 4 years until they have grown to maturity. Some farmers even transplant the mature oysters to other beds where they become fat just prior to marketing.

In all of these operations the oyster farmer is constantly faced with the possibility of natural disasters. Hurricanes along the Atlantic and gulf coasts periodically create havoc to those in this business. In a violent storm with winds over 75 miles an hour giant waves are created even in our estuaries, with extreme turbulence to the bottom. This churning action either rolls the oysters from the hard surface of the oysterbed and on to the adjacent soft mud, or actually deposits a layer of mud and sand directly on to the oysters. In either case, the oysters are unable to pump water to breathe. They are smothered and the crop is lost. In some cases, such as the tropical storms Connie and Diane in the summer of 1955, tremendous quantities of fresh water pour down the rivers

from the heavy rains. The salinity of the water is reduced below the salinity in which the oysters can survive. Beds of oysters in whole areas are wiped out in such cases.

The oyster farmer is little different from land farmers. Generally he is a small operator with a limited number of acres under lease. Most of his capital is tied up in the crops he has growing on his bed. He must have two or three plantings of different ages at all times, so that he can harvest a crop each year. When he is severely damaged by a natural disaster he has little opportunity to reseed his beds through normal channels of credit. Regular banking channels, which are readily available under normal conditions, become unavailable. At the present time the oyster farmer has no source to turn to for financial aid in replenishing his beds.

All too frequently in the past I have had the unpleasant experience of seeing reputable, honorable men forced to abandon their lifework because they were damaged so badly they could not stay in business. For this reason, we appeal to you to make available disaster loans to oyster farmers in the same way as for land farmers. While we realize that the officials in the Farm Credit Administration have no experience in dealing with oyster farmers, I can assure you they are pretty much the same kind of people as land farmers—honorable, rather proud, and independent people used to working with nature and battling the elements. Technical advice is immediately available to FCA through the Interior Department's Bureau of Commercial Fisheries.

More and more we hear the opinion expressed by governmental officials and others that we must look to the sea in the not too distant future to supplement the wonderful job being done by our land farmers in feeding our expanding population. It seems to us that the provision of H.R. 946 is one step in the gearing up process to do eventually the job of food production from the sea. Natural disasters should not and must not be permitted to put out of business these farmers who are the progressive leaders in the seafood business.

The question has been raised about the cost of such a loan program. It is obvious to me that in the long run it will be self-supporting, just as the loans to land farmers. Even in the beginning it is doubtful if the FCA would need additional funds to carry out this expansion of their function.

We urge your support of this legislation. It is constructive, it is humanistic, and it will insure a more stable production of a highly nutritious, high-protein food.

Mr. POAGE. I believe that Mr. Highfill and Mr. Barnard are here from the Department of Agriculture. We will be glad to hear from you now.

Without objection, we will insert the report from the Department of Agriculture into the record at this point.

(The report of the Department dated May 9, 1961, together with attachment dated September 27, 1960, follows:)

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., May 9, 1961.

Mr. HYDE H. MURRAY,
*Assistant Clerk, Committee on Agriculture,
House of Representatives, Washington, D.C.*

DEAR MR. MURRAY: The first question in your letter of March 23, 1961, concerns the legal status of oyster farmers in regard to their eligibility for loan programs administered by the Department of Agriculture. Enclosed is a copy of our memorandum to the Administrator of the Farmers Home Administration dated September 27, 1960, with respect to this matter as it applies to disaster loans made under section 2(a) of Public Law 38, 81st Congress, 12 U.S.C. 1148a-2(a). That opinion recognizes that the term "farmers" should ordinarily be given its usual and customary meaning and that the question of who is a farmer is primarily for administrative determination under the terms of that statute. However, because of the legislative background there discussed, it concludes the better view to be that loans to oyster planters are not authorized under that act. We have not had occasion to consider whether the same reasoning would be applicable to loans made under titles I and II of the Bankhead-Jones Farm Tenant Act, as amended, 7 U.S.C. 1001 et seq.

The second question in your letter of March 23 is concerned with the legal definition of "agriculture," both in a broad sense and more particularly as it re-

lates to enterprises such as bird ranches, fur farming, lobster producing, fish production, oyster farming, and worm ranching. There are numerous court decisions and law treatises containing legal definitions of the term "agriculture." These definitions seem to vary, depending upon the wording and purpose of the statute being construed or other purpose for which the definition is given. 2 Am. Jur. 395; 3 C.J.S. 365; Bankruptcy Act, 11 U.S.C.A. 1, 22, 203; Social Security Act, 42 U.S.C.A. 1011; Fair Labor Standards Act, 29 U.S.C.A. 203(f); various State workmen's compensation acts; and Words and Phrases.

From the above citations and cases annotated thereunder it will be noted that the term "agriculture" is sometimes construed as synonymous with farming but also has a broader meaning in some circumstances. In construing section 2(a) of Public Law 38 above mentioned, we have taken the position that if the term "farmer" in an area, is generally understood to include a person engaged in fish propagation and fish culture for food purposes, an administrative determination that he is a farmer under that act would be legally supportable. We have also held that under title II of the Bankhead-Jones Farm Tenant Act, above mentioned operating loans for the purchase of mink for breeding purposes may be made to so-called fur farmers since they come within the term "stockmen" in that act. This opinion was based in part on the fact that the act of April 30, 1946 (60 Stat. 127), contained a congressional declaration "that for the purpose of classification and administration of acts of Congress, Executive orders, administrative orders, and regulations * * *" certain named fur-bearing animals raised in captivity for breeding or other useful purposes are domestic animals, such animals and the products are agricultural products, and the breeding, raising, producing, or marketing of such animals or their products by the producer is an agricultural pursuit.

Broadly speaking, the question of whether bird ranching, fur farming, lobster producing, fish production, oyster farming, and worm ranching come within the definition of "agriculture" or "farming" would depend to a large extent on whether the enterprise has generally and historically been considered to be an agricultural or farming enterprise as distinguished from a commercial, manufacturing, processing, or other business. However, the type and purpose of the operation and the applicable statutory provisions, together with the legislative history of such provisions, would have to be considered in determining the category into which each enterprise would fall.

The Capper-Volstead Act (7 U.S.C. 291 and 292) refers very generally to "persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers" in defining persons who may act jointly in a cooperative marketing association or through agencies in common without violating the antitrust laws. The interpretation and application of this provision incident to enforcement of the antitrust laws is, of course, the function of the Department of Justice.

Sincerely yours,

JOHN C. BAGWELL, *General Counsel.*

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., September 27, 1960.

To: K. H. Hansen, Administrator, Farmers Home Administration.
From: Assistant General Counsel.
Subject: Production Emergency Loans to Oyster Planters.

This is in reply to your memorandum of September 26, 1960, requesting advice as to whether oyster "planters" are "farmers" under Public Law 38, 81st Congress (12 U.S.C. 1148a-2).

That act authorizes the Secretary of Agriculture "to make loans to farmers and stockmen for any agricultural purpose in any area * * *." In the absence of any showing to the contrary, we believe that the word "farmers" should be given its usual and customary meaning. Consequently, if the term "farmers" as used in a particular area is generally understood to include oyster planters, an administrative determination that such a person is a farmer would be legally supportable.

As you know, the Farm Credit Administration was confronted with this same problem many years ago. The production credit associations had authority under 12 U.S.C. 1131g to "make loans to farmers for general agricultural purposes and for other requirements of the borrowers." Apparently the Farm Credit Administration thought that this authority, which is very similar to the

Public Law 38 authority quoted above, did not authorize the making of loans to oyster planters. Accordingly, in 1934 Congress passed a special act giving production credit associations authority to make loans to oyster planters (12 U.S.C. 1131g-2). In connection with the debate on this bill, at page 10912 of the Congressional Record for June 6, 1934, Senator Barbour made the following statement:

"Mr. President, this bill has been suggested and approved by the Production Credit Administration of the Agricultural Credit Bureau so that oyster planters and growers who will be the ones benefited under this bill can be in the same category as is any agricultural group applying for a loan. These oyster planters have asked for a loan and need a loan, and the Department is perfectly willing to grant them proper financial assistance properly secured, but because of the fact that they are raisers of oysters and not agricultural products it was felt that the loan could not be granted because of the legal wording of the law."

While we have been unable to find any court decisions on the question of whether oyster planters have ever been held to be farmers, it appears that they are generally referred to as oystermen or oyster planters, rather than as farmers. We note that in a memorandum dated January 28, 1957, to the State director for New Jersey you concluded that farming in the usual sense consists of the production of crops, livestock and livestock products and does not include the production of fish or oysters or other marine life or products.

In 1959 the Farmers Home Administration and the Small Business Administration agreed that applicants engaged solely and primarily in the production of agricultural commodities would be considered as being engaged in an agricultural enterprise. It was said that this normally, but not always, would involve cultivation of land for the production of food and fiber. A number of examples were given of agricultural enterprises with respect to which financial assistance would normally be furnished by FHA and production credit associations if the applicants met all other eligibility requirements. Included in these examples was "Oyster planters by production credit associations, by law (12 U.S.C. 1131g-2)." From this language it appears to have been clearly understood that (1) oyster planters were eligible for production credit association loans rather than FHA loans, and (2) such eligibility arose out of the special act of Congress rather than from the general authority of production credit associations to make loans to farmers.

While there may be a clear distinction between farmers on the one hand and commercial fishermen, oyster planters have several characteristics of farmers. They often own the oyster beds or hold them under lease and they plant or "seed" the oysters, transplant them and "cultivate" and harvest them.

As indicated above, we think that the question of who is a farmer in a particular area is one primarily for administrative determination. However, in view of the fact that the Farm Credit Administration apparently considered it necessary to have special congressional authorization to make loans to oyster planters when it already had general statutory authority very similar to that contained in Public Law 38, we believe that the better view is that emergency loans to oyster planters are not authorized by that act.

R. F. KOEBEL.

**STATEMENT OF J. V. HIGHFILL, ASSISTANT ADMINISTRATOR;
ACCOMPANIED BY CHARLES C. BARNARD, DIRECTOR, BUDGET
AND STATISTICS DIVISION, U.S. DEPARTMENT OF AGRICULTURE**

Mr. HIGHFILL. Mr. Chairman and members of the committee, I am glad to be here. I would like to say that the Department has not taken a position on this particular bill or proposed legislation as we believe that the Department of the Interior would be in a better position to make a recommendation as to whether the Government should make loans to oysters planters. Therefore, we have not taken a position.

Mr. POAGE. They do not loan the money. It is your money and your people who put it up. You are in a better position to pass on it than someone else.

Mr. HIGHFILL. We are in the position that we do not know much about the oyster industry.

Mr. POAGE. That is right. And if you are not in a position to do so, I think it is perfectly proper for you to say so, but I do not understand the position of the Department in saying that the Department of Interior is in a better position to pass on whether we ought to make a loan than you are yourself. If that is a fact, then I have lost a great deal of confidence that I had in you, because——

Mr. HIGHFILL. At this point, Mr. Chairman——

Mr. POAGE. Do you think that the Department of Interior knows more about your business than you do?

Mr. HIGHFILL. No; I did not mean that. I am sorry if I left that impression. We thought that the Department of Interior would make a report on the bill.

Mr. POAGE. Nobody has asked the Department of Interior to do anything. Nobody has asked them to put up any money or to give up anything or to do anything.

Mr. HIGHFILL. We made a report, but we did not take a position on this.

Mr. POAGE. I know that.

Mr. HIGHFILL. Up to this point——

Mr. POAGE. If you do not want in, in this picture, I think it is perfectly proper for you to say so. I find no fault with your saying that it is something that you do not have any business getting into. There is nothing wrong with that. On the other hand, if you do want it, I think that you ought to say so.

Mr. HIGHFILL. We think that we did not have the necessary information to say what we would recommend on this bill. That is how little we know about the oyster industry.

Mr. POAGE. Do not tell this committee to go to the Department of Interior because we have no business with the Department of the Interior. We might as well call on the State Department.

Maybe we can find somebody else who knows something about oysters.

Mr. McINTIRE. In view of the reference to the Department of Interior, is it the assumption that it should be handled through the Bureau of Fisheries or the Fish and Wildlife Service, the emergency provisions?

Mr. HIGHFILL. We were under the impression that the Fish and Wildlife Service would be making a recommendation.

Mr. McINTIRE. Does the Fish and Wildlife Service join in the recommendation? Have you got a recommendation?

**STATEMENT OF HAROLD E. CROWTHER, ASSISTANT DIRECTOR,
BUREAU OF COMMERCIAL FISHERIES; ACCOMPANIED BY JOHN B.
GLUDE, CHIEF, BRANCH OF SHELL FISHERIES, DEPARTMENT OF
THE INTERIOR**

Mr. CROWTHER. We are somewhat handicapped in providing the information, too, because the Department does not have a position as yet.

Mr. McINTIRE. You have the same position as the Department of Agriculture?

Mr. CROWTHER. We do not have a departmental position. However, the Department has submitted a position on a similar bill. We testified on another oyster bill, H.R. 7336 sometime ago. I would be pleased to tell the committee what position we took on that and what developed in the testimony there.

Mr. POAGE. We will be glad to have you tell us.

Mr. CROWTHER. In H.R. 7336 there are two main provisions. One is to authorize loans to producers of oysters. And the second one is to give the Secretary of Interior authority to purchase stocks of disease resistant oysters.

In the departmental report we favored the acquisition of the disease resistant oysters. On the other hand, we felt that at that time, and our report was prepared in August, that we did not know enough about the possibility of developing disease resistant stocks to suggest that a loan fund be made available at that time.

Mr. POAGE. Do you at this time?

Mr. CROWTHER. In our testimony before the Merchant Marine and Fishers Committee, however, which was just about a month ago, we mentioned that there had been some significant developments since we prepared our report. Since that time the industry saw fit to take a chance with about 166,000 bushels of oysters and planted them in an area which was pretty heavily contaminated with the MSX organism which Congressman Downing mentioned. And they came out ahead.

The oysters not only survived, but they grew and they were harvested in 1 year.

Perhaps the oysterman may have profited a little bit from it but it indicated—perhaps some resistance has been developed in these oysters.

We believe that should this continue through the next year's planting, through 1963, that it would be well worth the chance to put in substantial quantities of oysters and replant them in Delaware Bay and Chesapeake Bay which have been overrun with this organism and that it would be the rebirth of the industry up there.

The Department has not taken an official position in favor of loan funds, but in our testimony we mentioned that since we have said in our original position we did not recommend the loan fund at this time that we thought that the conditions had developed since then which would make a loan fund well worth considering for the oystermen.

Mr. POAGE. The Department of Interior does not have any actual interest in any land there—there is no Federal land there, is there?

Mr. CROWTHER. No, under the Fish and Wildlife Act of 1956, though, we have pretty broad authority on all fishery matters.

Mr. POAGE. Fish move, they move from one area to another. And migratory animals move freely. Therefore, there is a kind of interstate commerce, as it were. But those animals that never get across the State lines, what business is it of yours?

Mr. CROWTHER. We work on inshore stocks as well, for instance, in the shrimp industry.

Mr. POAGE. Shrimp move in the ocean, and are caught in international waters or federally owned waters. Oysters, as I understand it, not one of them is in federally owned waters. They are all caught in territorial waters, is that not right?

Mr. CROWTHER. Yes.

Mr. POAGE. They cannot move across State lines, can they?

Mr. CROWTHER. The oyster larvae can. When the spawning occurs the oyster larvae can move and does move across State lines. This disease that is so prevalent there now has no respect for State lines, either. It has swept up the entire Delaware Bay and Chesapeake Bay.

Mr. POAGE. I know that. Neither does rust on wheat observe any State lines. It starts in my portion of the country and goes up into the hills in Don Short's district. The Department of Interior has not concerned itself about that. It is an agricultural problem.

What I am trying to find out is how does this become a problem, the problem that we have here, of the Department of the Interior. I do not care if you handle it or if the Department of Agriculture handles it, but how does it become your problem, anyhow?

Mr. CROWTHER. We think it is classified as a fishery product, and under the Fish and Wildlife Act that would become our consideration.

Mr. POAGE. How do you get hold of the fish? You get hold of fish because fish do move freely.

Mr. CROWTHER. This is not true of all fish. For instance, Haddock stocks are not with a State, but they confine themselves to a bank, to Georges Bank, for example.

Mr. POAGE. That is in international waters.

Mr. CROWTHER. That is right.

Mr. POAGE. That is not something like somebody owned on private or leased land. Am I not right that these oysters are all grown on land that is either owned or leased or under State law, somehow or other?

Mr. CROWTHER. That is right.

Mr. POAGE. It is not on Federal land, is it?

Mr. CROWTHER. No, it is not.

Mr. POAGE. That is the point. I do not know of any oysters that are grown on any Federal land. You get jurisdiction, for example, over land in the West because that is Federal land—not because they are grazing lands, but because it is Government-owned land.

Mr. CROWTHER. That is right. Of course, our interest is not in the land problem, but in helping the industries which are classified as fishery industries.

Mr. POAGE. Can we sum it up that you are willing to take the jurisdiction and you say that you do not know whether you want it or not—you are willing to take the oyster people and take care of them?

Mr. CROWTHER. If agriculture will provide us the funds we will.

Mr. POAGE. I did not understand that they had any. Why should they pay for it if you are willing to take them, to support them—that is all we are asking you.

Mr. CROWTHER. I think you mentioned earlier, sir, there is a provision in existing loan funds which is administered by the Department of Agriculture where some of our oyster planters and growers—

Mr. POAGE. Now, that is the Farm Credit Administration and it is not part of the Department of Agriculture. Under the law it is a separate agency. They do not handle Federal funds. They are handling cooperative funds. That is what they are handling. They have the same right to make a loan that the First National Bank has.

And they make it on about the same terms. As a matter of fact, the First National Bank would make a loan on cattle in Colorado, but that does not relieve us of the responsibility of making some provision for disasters out there.

Mr. CROWTHER. You are referring to the Farm Credit Association.

Mr. POAGE. I am referring to Farm Credit. It is not any more a part of Interior than Agriculture.

Mr. CROWTHER. Yes, sir. The funds in that case do not come from Interior.

Mr. POAGE. No. We do not want the funds to come from Interior. I gather that Agriculture does not want the funds to be coming from them.

Mr. HIGHFILL. That is correct.

Mr. POAGE. So it seems to me that everybody is willing to mean well, but nobody is willing to do anything about it.

Mr. DOWNING. Exactly.

Mr. MCINTIRE. Does the Bureau of Fisheries do any research work on oysters?

Mr. CROWTHER. Yes, sir, we do.

Mr. MCINTIRE. Do you carry on any research work under the act in connection with that?

Mr. CROWTHER. Yes, sir.

Mr. MCINTIRE. Are you making any loans for the building of boats that are used in the oyster industry?

Mr. CROWTHER. I do not believe, sir, that there has been a loan to oyster planters. We do have a fishery loan fund which is designed for operation, maintenance, replacement and equipment of fishing gear, and vessels. I think all of those to date have been loaned out to the actual fin fish in contrast to shell fish.

Mr. MCINTIRE. Under that act are shell fish eligible for loans? If an operator made an application and it was a sound loan, would he be eligible?

Mr. CROWTHER. We could for the vessel only, sir—not for the planting of the oysters. The fishery loan fund specifically mentions the vessel itself.

Mr. MCINTIRE. I realize that.

Mr. CROWTHER. If the oyster planter needed a vessel repaired I would think that we could make a loan to him for that purpose. We could not provide him with money from the fishery loan fund for the purchase of oysters or for planting the oysters.

Mr. MCINTIRE. You are closely associated with the oyster industry right now, are you not?

Mr. CROWTHER. Yes, sir; we are.

Mr. MCINTIRE. Do you have any authority whereby you can make loans under emergency situations to anyone in the fishing industry?

Mr. CROWTHER. No, sir. Our only loan authority is in section IV of the Fish and Wildlife Act which is the fisheries loan fund.

Mr. MCINTIRE. That is not an emergency?

Mr. CROWTHER. No, we require—we have fairly strict requirements in regard to collateral.

Mr. MCINTIRE. Thank you.

Mr. GATHINGS. I would like to ask the Department of Interior witnesses or the Department of Agriculture witness, or both, whether you would have any objection to this legislation proposed by Mr. Downing.

I would like to know whether or not you oppose in the Department of Agriculture this legislation or you are not taking a position on it at all? Do you think it is good legislation?

Mr. HIGHFILL. As far as I know it is good legislation. We would not have any objection to assuming any responsibility that the Congress would give us, but as I said in my statement, to begin with, we do not now have the technical know-how regarding oyster farming. We are unacquainted with it. And up to now it has not been classified as farming.

So far as our emergency lending authorizations are concerned, we would have no objection to doing what we could to carry out any act that the Congress might give us with reference to the oyster industry. But we would have to call on people like the Fish and Wildlife Service for technical guidance and assistance in handling this type of loan.

Mr. GATHINGS. The Fish and Wildlife people just a moment ago stated that they would like to see loans in this emergency situation granted, provided that the Department of Agriculture furnished the funds—is that not about what you said?

Mr. CROWTHER. I believe that we said that we would be happy to administer them if we received funds from Agriculture. What I would like to point out is that the Department of Interior does not have an official position on this particular bill. On a bill that was similar to it, we took the position that we recognized there are severe problems in the oyster industry. We would favor the acquisition of the resistant stocks for transfer to the producers, but that at the time we prepared our report we suggested that we did not believe that the time had come yet for this loan provision.

Mr. GATHINGS. You recognize that there is a disaster down in Virginia?

Mr. CROWTHER. Yes, sir; that is right; we certainly do.

Mr. GATHINGS. But these folks who are engaged in the oyster business, who have suffered the disaster, need to get remedial loans.

Mr. CROWTHER. At the time we prepared our bill, which was in August, we could not see resistant strains of oysters coming onto the market very soon. As I mentioned earlier we have seen quite a change in the industry since then. And there, apparently, are resistant strains becoming available to the industry. I mentioned that we now looked with much more favor than we did in our original report on the assistance to the oyster industry in the form of loans.

Mr. GATHINGS. If the loan is made, though, it would be made through the Farmers Home Administration and would not be under the jurisdiction of the Fish and Wildlife of the Department of Interior.

Mr. CROWTHER. We would provide technical assistance to the Farm Credit Administration or to anyone who requests it, so far as oysters are concerned. We do this now in other areas—in the Area Redevelopment Administration program. When that is proposed; that is, loans that involve fisheries, they come to us for advice on the fishery matters, and we review these loans very carefully and give our opinion as to whether the loan should be made or whether it will help the industry.

Mr. GATHINGS. That is the information that you would want, is it not? The dollars would come to your Department, and you, of course, would want to administer it.

Mr. HIGHFILL. Yes, sir.

Mr. GATHINGS. The application would come in.

Mr. HIGHFILL. As I see it, any funds used out of the emergency credit revolving fund would have to be administered by the Secretary through the Farmers Home Administration.

Mr. GATHINGS. Thank you. That is all.

Mr. JOHNSON of Wisconsin. You mentioned that you provided a certain amount of oysters in the area.

Mr. CROWTHER. This was done by the industry itself.

Mr. JOHNSON of Wisconsin. By the oystermen?

Mr. CROWTHER. Yes, sir; 166,000 bushels.

Mr. JOHNSON of Wisconsin. Were they planted in areas where oyster farmers had leases and possession of them?

Mr. CROWTHER. Yes, sir.

Mr. JOHNSON of Wisconsin. Was any charge made to the oysterman?

Mr. CROWTHER. They pay for the lease each year, for the land, but they bought the oysters themselves.

Mr. JOHNSON of Wisconsin. There is nothing in the bill about the Government buying oysters?

Mr. CROWTHER. No, sir.

Mr. POAGE. Are there any further questions?

(No response.)

Mr. POAGE. If not, we are very much obliged to you.

Mr. STUBBLEFIELD. Do you carry on research work in laboratories on oysters?

Mr. CROWTHER. Yes, sir. We have one at Milford, Conn., also one at Oxford, Md. We do considerable work on oysters.

Mr. STUBBLEFIELD. Thank you.

Mr. POAGE. Are there any further questions?

(No response.)

Mr. POAGE. If not, we thank you again.

Mr. HIGHFILL. Thank you.

Mr. CROWTHER. Thank you.

Mr. POAGE. The committee will consider the bill.

Mr. DOWNING. Thank you very much, Mr. Chairman.

H.R. 9290

Mr. POAGE. We will now turn to H.R. 9290 by our colleague, Mr. Abernethy.

(H.R. 9290 is as follows:)

[H.R. 9290, 87th Cong., 1st sess.]

A BILL To amend the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g), is further amended as follows: Subsections (b), (c), (d), (e), (f), and (g), and the subsection designation "(a)" are stricken out.

SEC. 2. (a) Subsection (a) of section 8 of said Act, as amended, relating to the period within which the Secretary is authorized to develop programs and make payments directly to farmers for specified purposes, is hereby repealed.

(b) The first sentence of subsection (b) of section 8 of said Act, as amended, is amended by striking out the words "Subject to the limitation provided in subsection (a) of this section, the" and inserting in lieu thereof the word "The".

(c) Subsections (b), (c), (d), (e), and (f) of section 8 of said Act, as amended, are redesignated as subsections (a), (b), (c), (d), and (e), respectively.

SEC. 3. References to sections 7 and 8 and subsections of sections 7 and 8 of the Soil Conservation and Domestic Allotment Act, as amended, shall be deleted, redesignated, or otherwise adjusted to conform with provisions of sections 1 and 2 of this Act wherever such references occur in the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 26, 1962.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR MR. CHAIRMAN: This is in reply to your request of January 23, 1962, for a report on H.R. 9290, a bill to amend the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended.

This Department recommends that the bill be passed.

The bill would repeal provisions of sections 7 and 8 of the Soil Conservation and Domestic Allotment Act which authorize administration of the agricultural conservation program through State plans and grants to States and which limit the period of time in which the Secretary of Agriculture is authorized to operate the program on a national basis.

The program was first authorized in the Soil Conservation and Domestic Allotment Act of February 29, 1936, in the form of a grant-in-aid program to be operated through the States. At that time, the Secretary of Agriculture was authorized to administer the program on a national basis only until December 31, 1937, or such earlier time as the States passed enabling laws and submitted acceptable plans qualifying them for the grants-in-aid.

By the act of June 28, 1937, the authority of the Secretary to operate the program, pending approval of State plans, was extended through 1941. Since then, this authority has been extended eight additional times, for periods ranging from 2 to 5 years. The present authorization of the Secretary to operate the agricultural conservation program on a national basis will expire on December 31, 1962, having been extended for 4 years from December 31, 1958, by Public Law 85-553, approved July 25, 1958.

Only 25 States and the Commonwealth of Puerto Rico now have in effect State laws authorizing administration of this program. Moreover, only one State has ever submitted a plan, and this was disapproved by the Secretary on the basis of inadequacy.

There appears to be no desire on the part of the States to assume the responsibility that was anticipated in 1936 when the act was passed. The Department has worked with State governments over the years in an effort to create interest and to encourage State action in this respect. Following out the congressional policy expressed in the Agricultural Act of 1954, which amended section 8(a) of the Soil Conservation and Domestic Allotment Act to provide that during the period of Federal operation of the program "the Secretary shall carry out the purposes specified in section 7(a) as rapidly as adequate State laws are enacted and satisfactory State plans are submitted," this Department met with the Council of State Governments to discuss this matter. This conference failed to arouse any interest on the part of the States. We have received no indication since that time that any State has an intention of submitting a plan to operate this program.

It is our considered judgment that the retention of this unused provision which permits State operation of the program, coupled with the necessity of seeking a renewal of authority for the Secretary to administer it on a national basis through State, county, and local committees, creates a distinct disadvantage. On the other hand, the passage of the bill under consideration, placing the program on a definite Federal basis, to be administered as at present, would tend to strengthen its effectiveness as a national conservation effort and promote more efficient administration through the farmer-committee system.

87TH CONGRESS
1ST SESSION

H. R. 946

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 1961

Mr. DOWNING introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of section 2 (a) of the Act entitled
4 “An Act to abolish the Regional Agricultural Credit Cor-
5 poration of Washington, District of Columbia, and transfer
6 its functions to the Secretary of Agriculture, to authorize
7 the Secretary of Agriculture to make disaster loans, and for
8 other purposes”, approved April 6, 1949, as amended (12
9 U.S.C. 1148a-2 (a)), is amended to read as follows: “The
10 Secretary is authorized to make loans (1) to farmers and

1 stockmen for any agricultural purpose and (2) to oyster
2 planters for any purpose relating to the planting, cultivation,
3 and growing of oysters, in any area or region where he finds
4 that a production disaster has caused a need for credit
5 for such a purpose which is not readily available from com-
6 mercial banks, cooperative lending agencies, or other re-
7 sponsible sources.”

87TH CONGRESS
1ST SESSION

H. R. 946

A BILL

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

By Mr. Downing

JANUARY 3, 1961

Referred to the Committee on Agriculture

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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or cited)

Issued March 20, 1962
For actions of March 19, 1962
87th-2d, No. 40

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HIGHLIGHTS: House subcommittee voted to report bill for permanent Federal administration of ACP program. Sen. Carlson criticized proposed reduction in domestic sugarbeet production. House committee reported (on Mar. 16) tax revision bill.

SENATE

1. SUGAR. Sen. Carlson criticized "cutting domestic sugarbeet production by at least 10 to 12 percent, as proposed in the administration's program," and urged early enactment of "a realistic long-range Sugar Act." pp. 4116-7
2. CONSUMERS. Sen. Miller inserted two editorials critical of the President's recent message on consumers. pp. 4127-8
3. FARM PROGRAM. Sen. McCarthy inserted a series of resolutions and observations of the Land O'Lakes Creameries, Inc., relating to various aspects of agriculture and the farm program. pp. 4121-2
4. RECLAMATION. Sen. Bennett urged a speedup in the planning and construction of the central Utah and Dixie reclamation projects in Utah. pp. 4117-20
5. FOREIGN TRADE. Sen. Humphrey commended and urged early consideration of the President's foreign trade proposals and inserted an article stating that Minn.

farmers supplied the U. S. export market with products worth \$163,700,000 in 1960 and 1961. pp. 4129-31

6. TOBACCO. Sen. Neuberger spoke in favor of her resolution providing for the President to create "a Commission on Tobacco and Health, and also to initiate a massive public information program on the hazards of cigarette smoking with particular emphasis on the relationship between smoking and lung cancer." pp. 4141-2

HOUSE

7. LIVESTOCK. The Subcommittee on Livestock and Feed Grains of the Agriculture Committee voted to report to the full committee with amendments S. 860, to provide greater protection against the introduction and dissemination of diseases of livestock and poultry. p. D187

8. LOANS. The Merchant Marine and Fisheries Committee reported with amendments H. R. 7336, to authorize the Secretary of the Interior to make loans to certain producers of oysters (H. Rept. 1449). p. 4107

The "Daily Digest" states that the Subcommittee on Conservation and Credit of the Agriculture Committee "ordered reported favorably to the full committee H. R. 946 (amended), to extend to oyster planters the benefits of the provision of the present law which provide for production disaster loans for farmers and stockmen." p. D137

9. FORESTRY. At the request of Rep. Rutherford, passed over without prejudice H. R. 9822, to provide that lands within a national forest acquired under section 8 of the act of June 28, 1934, as amended (43 U.S.C. 315g), may be added to the national forest. p. 4073

10. TAXATION. On March 16, during adjournment, the Ways and Means Committee reported without amendment H. R. 10650, to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property, to eliminate certain defects and inequities (H. Rept. 1447). p. 4107

11. WILDLIFE. The Merchant Marine and Fisheries Committee reported with amendment H. J. Res. 489, to provide protection for the golden eagle (H. Rept. 1459). p. 4107

12. WEIGHTS AND MEASURES. At the request of Rep. Gross, passed over without prejudice H. R. 2049, to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the U. S. of the metric system of weights and measures. p. 4043

13. FEED GRAINS. On objection of Reps. Ford, Pelly, and Curtis, Mo., passed over H. R. 8914, to permit producers on farms on which summer fallow is a normal practice to plant barley on land devoted to summer fallow during 1961 which is diverted from wheat under the 1962 Wheat Stabilization Program provided an overall reduction of 20% is made in corn, grain sorghums, and barley. p. 4043

14. SCHOOL LUNCH PROGRAM. At the request of Rep. Ford, passed over without prejudice H. R. 8962, to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act. p. 4044

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(For information only;
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Issued March 23, 1962
For actions of March 22, 1962
87th-2d, No. 43

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HIGHLIGHTS: House passed bill to permit summer fallow lands to participate in feed grains program. House Rules Committee cleared tax bill. House committee voted to report Youth Conservation Corps bill. House committee voted to report bill for import-export controls on nonparticipants in multilateral cotton textile agreements. Sen. Muskie and Reps. Cooley and McIntire introduced and Sen. Muskie and Rep. McIntire discussed bills to provide supply management program for potatoes.

HOUSE

- 1. FEED GRAINS.** Passed without amendment S. 2533, to permit farmers in summer fallow areas to receive barley, corn, and grain sorghum price support and to participate in the corn and grain sorghum diversion program provided they reduce their corn and grain sorghum acreage to the extent necessary to bring their acreage of corn, grain sorghum, and barley down to not more than 80 percent of the 1959-60 average of those three crops. This bill will now be sent to the President. A similar bill, H. R. 8914, was laid on the table. pp. 4372-81
- 2. LIVESTOCK DISEASES.** The Agriculture Committee voted to report (but did not actually report) with amendments S. 860, to grant the Secretary of Agriculture additional authority to provide greater protection against the introduction and dissemination of diseases of livestock and poultry. p. D200
- 3. PERISHABLE COMMODITIES.** The Agriculture Committee voted to report (but did not actually report) with amendments S. 1037, to amend the provisions of the

Perishable Agricultural Commodities Act retarding fees, oral hearings, and re-
licensing of persons under the Act. p. D200

4. LOANS. The Agriculture Committee voted to report (but did not actually report) with amendments H. R. 946, to extend to cyster planters the benefits of the provisions of present law which provide for production disaster loans for farmers and stockmen. p. D200
5. COOPERATIVES. The Agriculture Committee voted to report (but did not actually report) H. R. 10374, to reduce the revolving fund available for subscriptions to the capital stock of the banks for cooperatives. p. D200
6. ELECTRIFICATION. The Agriculture Committee voted to report (but did not actually report) H. R. 10708, to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity. p. D200
7. FOREIGN TRADE. The Agriculture Committee voted to report (but did not actually report) H. R. 10788, to amend section 204 of the Agricultural Act of 1956 to authorize the President to extend import-export controls to non-participants in multilateral cotton textile agreements. p. D200
8. CONSERVATION. The Committee on Education and Labor voted to report (but did not actually report) H. R. 10682, to authorize the establishment of a Youth Conservation Corps. p. D201
9. EDUCATION. The "Daily Digest" states that the Education and Labor Committee "ordered introduced in the House in lieu of H. R. 10390, the Adult Basic Education Act of 1962 (clean bill -- H. R. 10860)." p. D201
10. PUBLIC WORKS. Subcommittee No. 4 of the Judiciary Committee voted to report to the full committee with amendments H. J. Res. 464, to provide for the designation of the week commencing October 1, 1961, as "National Public Works Week." p. D201
11. HONEYBEES. The Agriculture Committee reported without amendment H. R. 8050, to prohibit the importation of all honeybees of the genus *Apis* in the adult stage except for research purposes by this Department or as the Secretary shall determine (H. Rept. 1477). p. 4392
12. TAXATION; COOPERATIVES. The Rules Committee reported a resolution for the consideration of H. R. 10650, the proposed Revenue Act of 1962, including revisions in tax provisions relative to cooperatives (see Digest 38 for items of interest). p. 4393
13. BANKING. The Banking and Currency Committee reported without amendment H. R. 10162, to amend the Bretton Woods Agreements Act to authorize the U. S. to participate in loans to the International Monetary Fund to strengthen the international monetary system (H. Rept. 1484). p. 4393
14. APPROPRIATIONS. The Appropriations Committee was granted until midnight tonight, Mar. 23, to file a report on the Labor, HEW and related agencies appropriation bill for 1963. p. 4371
15. RETIREMENT. Rep. Olsen discussed his bill H. R. 10706, to amend the Civil Service Retirement Act so as to provide for increases in annuities, eliminate

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(For information only;
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Issued March 27, 1962
For actions of March 26, 1962
87th-2d, No. 46

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Foreign trade.....24,31	Recreation.....30	Wilderness.....23
Forestry.....9,32	Research.....3	Wildlife.....14

HIGHLIGHTS: House subcommittee voted to report committee print on wheat section of farm bill. House committee reported (Mar. 25) Labor-HHW appropriation bill. Sen. Stennis introduced and discussed bill to increase authorization for nationwide forest survey.

HOUSE

- 1. FARM PROGRAM; WHEAT.** The "Daily Digest" states that the Subcommittee on Wheat of the Agriculture Committee "ordered reported favorably, with amendment, Committee Print No. 2, regarding the wheat section of H. R. 10010, the general farm bill." p. D208
- 2. APPROPRIATIONS.** The Appropriations Committee reported on Mar. 23 (during adjournment of the House) H. R. 10904, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for 1963 (H. Rept. 1488). p. 4589
- 3. RESEARCH.** The Government Operations Committee reported on Mar. 23 (during adjournment of the House) without amendment H. R. 6984, to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions (H. Rept. 1485). p. 4589

4. BUDGETING. The Government Operations Committee reported on Mar. 23 (during adjournment of the House) without amendment H. R. 10613, to repeal subsection (d) of sec. 16 of the Administrative Expenses Act of 1946 which requires detailed budget estimates for appropriations to be used for purchase or hire of passenger motor vehicles or for purchase, maintenance, or operation of aircraft (H. Rept. 1486). p. 4589
5. PERSONNEL; TRAVEL. The Government Operations Committee reported on Mar. 23 (during adjournment of the House) without amendment H. R. 10652, to provide more reasonable allowance for transportation of house trailers or mobile dwellings by certain governmental officers and employees upon their transfer from one official station to another (H. Rept. 1487). p. 4589
6. LOANS. The Agriculture Committee reported with amendments H. R. 946, to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen (H. Rept. 1502). p. 4589
7. PATENTS. Received from Commerce a proposed bill "To provide for public notice of settlements in patent interferences"; to Judiciary Committee. p. 4589
8. WATERSHEDS. The Agriculture Committee approved the following watershed and flood prevention plans: Gum Neck watershed, North Carolina; Pine Creek watershed, Tennessee; northeast tributaries of Leon River watershed, Texas; and Wagon Creek watershed, Oklahoma. p. 4579

SENATE

9. FORESTRY. Sens. Stennis, Allott, and Hill commended the service of Richard E. McArdle, former Chief of the Forest Service, upon his retirement, and Sen. Stennis inserted an editorial commending his service, "Protector of Forests." pp. 4608-9
10. SOVIET AGRICULTURE. Sen. Miller inserted an article on Soviet agricultural policy, "What K.'s Decision on Farms Implies," stating that "A huge new agricultural bureaucracy is to be established in the rural regions to harass and encourage the collective farmers. But no increase of state investments in farming is to be made." p. 4601
11. COOPERATIVES. Sen. Miller inserted an article on the recent growth and development of farm cooperatives, stating that this Department is "working up several study proposals designed to foster more big co-ops that would go beyond traditional local and regional lines." pp. 4601-2
12. SALINE WATER. Sen. Kuchel commended the accomplishments of the saline water conversion program and inserted his remarks at the dedication of the Point Loma saline water conversion plant at San Diego, Calif. pp. 4592-3
13. WATER RESOURCES. Received a N. Y. Legislature resolution memorializing Congress to authorize a review of plans for the multipurpose development of the Genesee River Basin, N. Y. pp. 4591-2
14. WILDLIFE. Sen. Kuchel urged enactment of legislation to give congressional sanction to the Tule Lake Wildlife Refuge Area in Calif. and Ore. pp. 4593-4

EMERGENCY LOANS TO OYSTER PLANTERS

MARCH 26, 1962.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H.R. 946]

The Committee on Agriculture, to whom was referred the bill (H.R. 946) to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert:

That subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out "farmers or ranchers" and inserting "farmers, ranchers, or oyster planters" and by striking out "farming or ranching" and inserting "farming, ranching, or oyster planting".

PURPOSE

The bill would amend the emergency loan provisions of the Consolidated Farmers Home Administration Act of 1961 to make it clear that oyster planters are included among the eligible recipients of such loans.

Emergency loans as authorized by this act may be made by the Farmers Home Administration only in so-called disaster areas which have been designated by the Secretary of Agriculture as the result of a finding (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans under regular FHA real estate or production loan authorities) at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

Such loans may be made for any of the purposes for which regular FHA real estate or production loans may be made but only in the event of the three conditions noted above (1) that there has been a natural disaster in the area, (2) that agricultural credit is not available from any other responsible source, and (3) that the area has been designated as a disaster area by the Secretary of Agriculture. Inclusion of oyster planters in this disaster loan program would not make them eligible for regular FHA loans.

NEED FOR THE LEGISLATION

The immediate need for the legislation is, of course, the disaster which has struck the oyster-producing area of the Atlantic coast as the result of the recent destructive storm. This storm washed over the outer sand barriers and into the bays and inlets where oysters are produced. It covered many of the beds with sand, killing the oysters therein, and otherwise caused serious damage, if not complete destruction, of many of the oysterbeds. This will require rehabilitation of the beds, in some instances the establishment of a new rock bottom on which the oysters may grow, and certainly the replanting of the beds to new oysters.

Oystermen are distinguished from other producers of seafoods in at least two respects: (1) Oysters do not travel from place to place but remain fixed at one locality after a very early stage of their development; and (2) most oysters are grown on legally designated plots of land beneath the surface of bays and salt water inlets which are marked by fixed boundaries and which either belong to the oyster planter or are leased from some State or other agency for the purpose of oyster production. In addition, oysters are planted, cultivated, and harvested much as any other agricultural crop and are ordinarily produced on land which has been specially prepared for that purpose.

In this connection, it will be noted that the committee has used the words "oyster planters" rather than "oystermen" to distinguish the operation described above from that of searching for oysters in the open sea and harvesting them from wild beds.

The concept that oyster planters might be considered farmers under the provisions of the agricultural loan programs is not a new one. By the act of June 18, 1934 (12 U.S.C. 1131g-2) Congress authorized production credit associations, operating under the Farm Credit Administration, to make loans to oyster planters. The authority for FHA emergency loans contained in this bill does not duplicate this authority, since the emergency loan provisions of the act provide that such loans may not be made to any farmers (including oyster planters) if credit is available from other sources, including production credit associations.

COST

Since the total amount of loans by the Farmers Home Administration is authorized from year to year by the Congress and since the emergency loans to oyster planters which might be made pursuant to the authority of this bill would come within that total authorization, there would not be any additional cost to the Government as the result of the enactment of this bill.

COMMITTEE AMENDMENT

H.R. 946 was introduced on January 3, 1961, before the enactment in the Agricultural Act of 1961 of the Consolidated Farmers Home Administration Act of 1961. This act consolidated the many laws relating to FHA loan operation into one statute and repealed a number of previous statutes relating to specific parts of the loan program, including the act of April 6, 1949, which H.R. 946 would have amended. The committee amendment, therefore, merely applies the purpose of H.R. 946 to the law as it exists today.

DEPARTMENTAL RECOMMENDATIONS

The Department of Agriculture in reporting on the bill, and in testimony before the committee, took the position that it had no objection to the inclusion of oyster planters in the emergency loan program but that the determination as to whether or not they should properly be included was outside its field of competence and should be determined by the Congress, with the advice of the Department of Interior.

The Department of the Interior, because of the time element rising from the urgent need for the legislation, did not develop a departmental policy position on the bill but spokesmen for the Bureau of Commercial Fisheries of that Department, testifying at the hearing, indicated they felt that oystermen should have this emergency credit available to them and that disease-resistant oysters had been developed to the point where loans for the replanting of oysterbeds could be made with a minimum of risk.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italics*, and existing law in which no change is proposed is shown in *roman*):

CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

* * * * *

SUBTITLE C—EMERGENCY LOANS

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

(b) The Secretary is authorized to make loans in any such area (1) to establish **[farmers or ranchers]** *farmers, ranchers, or oyster*

planters who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in [farming or ranching] *farming, ranching, or oyster planting* provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.



87TH CONGRESS
2^D SESSION

H. R. 946

[Report No. 1502]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 1961

Mr. DOWNING introduced the following bill; which was referred to the Committee on Agriculture

MARCH 26, 1962

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of section 2-(a) of the Act entitled
4 “An Act to abolish the Regional Agricultural Credit Cor-
5 poration of Washington, District of Columbia, and transfer
6 its functions to the Secretary of Agriculture, to authorize
7 the Secretary of Agriculture to make disaster loans, and for
8 other purposes”, approved April 6, 1949, as amended (12
9 U.S.C. 1148a-2(a)), is amended to read as follows: “The
10 Secretary is authorized to make loans (1) to farmers and

1 stockmen for any agricultural purpose and ~~(2)~~ to oyster
2 planters for any purpose relating to the planting, cultivation,
3 and growing of oysters, in any area or region where he finds
4 that a production disaster has caused a need for credit
5 for such a purpose which is not readily available from com-
6 mercial banks, cooperative lending agencies, or other re-
7 sponsible sources.”

8 *That subsection (b) of section 321 of the Consolidated Farm-*
9 *ers Home Administration Act of 1961 is amended by striking*
10 *out “farmers or ranchers” and inserting “farmers, ranchers,*
11 *or oyster planters” and by striking out “farming or ranch-*
12 *ing” and inserting “farming, ranching, or oyster planting”.*

87TH CONGRESS
2^D Session

H. R. 946

[Report No. 1502]

A BILL

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

By Mr. DOWNING

JANUARY 3, 1961

Referred to the Committee on Agriculture

MARCH 26, 1962

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

HOUSE

17. APPROPRIATIONS. The Appropriations Committee reported (on Mar. 30) H. R. 11038, the second supplemental appropriation bill, 1962 (H. Rept. 1548), which includes items for ARS, AMS, and Forest Service (see table at end of this Digest for a summary of these items). The bill also includes \$25,000,000 for disaster relief assistance to States and local governments, \$17,000,000 for U. S. participation in the New York World's Fair, \$18,000 for salaries and expenses of the Delaware River Basin Commission, \$5,000,000 additional capital for the GSA general supply fund to provide for increased sales, and \$85,000,000 increased capital for the revolving fund of the Small Business Administration.
- Conferees were appointed on H. R. 10526, the Treasury-Post Office Department and Executive Office of the President appropriation bill (p. 5060). Senate conferees have already been appointed.
- Received from the President an amendment to the budget for 1963 involving an increase of \$6 million for the civil functions of the Department of the Army (H. Doc. 378). p. 5160
- Received from the President amendments to the budget for 1963 involving a net decrease of \$265,000 for civil functions of the Corps of Engineers, Department of the Army (H. Doc. 379). p. 5160
18. FARM PROGRAM. The "Daily Digest" states that the Subcommittee on Dairy and Poultry of the Agriculture Committee "ordered reported favorably to the full committee title III /on marketing orders/ (amended), of H. R. 10010, the general farm bill. Also ordered reported subtitle C /on dairy/ (amended), of title IV, without recommendation." p. D235
19. LIVESTOCK DISEASES. Passed under suspension of the rules S. 860, to grant the Secretary of Agriculture additional authority to provide greater protection against the introduction and dissemination of diseases of livestock and poultry. pp. 5121-4
20. PERISHABLE COMMODITIES. Passed under suspension of the rules S. 1037, to amend the provisions of the Perishable Agricultural Commodities Act regarding fees, oral hearings, and relicensing. pp. 5124-6
21. SCHOOL LUNCH PROGRAM. At the request of Rep. Ford, passed over without prejudice H. R. 8962, to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act. p. 5061
22. FORESTRY. Passed with an amendment H. R. 9822, to provide that lands within a national forest acquired under section 8 of the Act of June 28, 1934, as amended (43 U.S.C. 315g), may be added to the national forest. p. 5061
23. WILDLIFE. Passed as reported H. J. Res. 489, to provide protection for the golden eagle. pp. 5062-6
24. HONEYBEES. Passed without amendment H. R. 8050, to prohibit the importation of all honeybees of the genus *Apis* in the adult stage except for research purposes by this Department or as the Secretary shall determine. p. 5078
25. WEIGHTS AND MEASURES. At the request of Rep. Gross, passed over without prejudice H. R. 2049, to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the U. S. of the metric system of weights and measures. p. 5061

26. LOANS. Passed as reported H. R. 946, to extend to oyster planters the benefits of the provisions of the present law which provides for production disaster loans for farmers and stockmen. pp. 5078-9
27. FOREIGN TRADE. On objection of Rep. Curtis, Mo., passed over H. R. 10788, to amend section 204 of the Agricultural Act of 1956 to authorize the President to extend import-export controls to non-participants in multilateral cotton textile agreements. pp. 5079-80
28. RESEARCH. At the request of Rep. Ford, passed over without prejudice H. R. 6984, to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions. pp. 5080-1
29. BUDGETING. Passed without amendment H. R. 10613, to repeal subsection (d) of section 16 of the Administrative Expenses Act of 1946 which requires detailed budget estimates for appropriations to be used for purchase or hire of passenger motor vehicles or for purchase, maintenance, or operation of aircraft. p. 5081
30. PERSONNEL; TRANSPORTATION. Passed without amendment H. R. 10652, to provide a more reasonable allowance for transportation of house trailers or mobile dwellings by certain governmental officers and employees upon their transfer from one official station to another. p. 5081
31. BANKING. By a vote of 255 to 94, passed under suspension of the rules H. R. 10162, to amend the Bretton Woods Agreements Act to authorize the U. S. to participate in loans to the International Monetary Fund to strengthen the international monetary system. pp. 5086-99
32. RECREATION. Passed under suspension of the rules H. R. 1171, to increase the public benefits from the national fish and wildlife conservation areas through their incidental or secondary use for public recreation. pp. 5099-102
33. TERRITORIES. Passed under suspension of the rules H. R. 10062, to extend the application of certain laws to American Samoa including extension of the provisions of the National School Lunch Act to Samoa, and authorizing the head of any Federal department to extend to American Samoa, without reimbursement, such scientific, technical, and other assistance under any program which it administers as, in the judgment of the Governor, will promote the welfare of American Samoa (pp. 5127-8). The committee report includes the following statement regarding costs: "The bill provides for no increase in authorized appropriations. The amount of aid which may be requested under section 1 of the bill is limited to \$150,000 a year ... Other items in the bill will be charged to regular departmental appropriations as need occurs."
34. EDUCATION. The Education and Labor Committee reported without amendment H. R. 10896, the proposed Adult Basic Education Act of 1962 (H. Rept. 1551). p. 5161

ITEMS IN APPENDIX

35. FOREIGN CURRENCIES. Extension of remarks of Rep. Findley stating that "an \$86 million assist to the U. S. gold problem is possible as the result of new Public Law 480 agreements which utilize a new feature of the law." pp. A2509-10

THEODORE ROOSEVELT BIRTHPLACE

The Clerk called the bill (H.R. 8484) to authorize establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, N.Y., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to preserve in public ownership historically significant properties associated with the life of Theodore Roosevelt, the Secretary of the Interior may acquire, by donation from the Theodore Roosevelt Association, the sites and structures known as the Theodore Roosevelt House situated at Twenty-eight and Twenty-six East Twentieth Street, New York City, consisting of approximately one and one-tenth acres, and Sagamore Hill, consisting of not to exceed ninety acres, and the improvements thereon, together with the furnishings and other contents of the structures.

SEC. 2. (a) In accordance with the Act entitled "An Act to create a National Park Trust Fund Board, and for other purposes", approved July 10, 1935 (49 Stat. 477), as amended, the National Park Trust Fund Board may accept from the Theodore Roosevelt Association \$500,000 and such additional amounts as the association may tender from the endowment fund under its control, which funds, when accepted, shall be utilized only for the purposes of the historic sites established pursuant to this Act.

(b) Nothing in this Act shall limit the authority of the Secretary of the Interior under other provisions of law to accept in the name of the United States donations of property.

SEC. 3. When lands, interests in lands, improvements, and other properties comprising the Theodore Roosevelt Birthplace and Sagamore Hill, as authorized for acquisition by section 1 of this Act, and a portion of the endowment fund in the amount of \$500,000 have been transferred to the United States, the Secretary of the Interior shall establish the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites by publication of notice thereof in the Federal Register.

SEC. 4. The Secretary of the Interior shall administer, protect, and develop the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 and the following), as amended and supplemented.

SEC. 5. The executive committee of the Theodore Roosevelt Association, having by its patriotic and active interest preserved for posterity these important historical sites, buildings, and objects, shall, upon establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, serve in an advisory capacity to the Secretary of the Interior in matters relating to their preservation.

SEC. 6. There are authorized to be appropriated such sums as are necessary to accomplish the purposes of this Act.

With the following committee amendments:

Page 1, lines 9 and 10, strike out the words "one and one-tenth acres," and insert in lieu thereof "eleven one-hundredths of an acre,"

Page 2, line 1, strike out the word "acres," and insert in lieu thereof "acres at Cove Neck, Oyster Bay, Long Island,".

Page 2, line 9, before the words "the endowment" insert "time to time from".

Page 3, line 6, Strike out all of section 5 and insert in lieu thereof the following:

"SEC. 5. The Theodore Roosevelt Association, having by its patriotic and active in-

terest preserved for posterity these important historic sites, buildings, and objects, shall, upon establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites be consulted by the Secretary of the Interior in the establishment of an advisory committee or committees for matters relating to the preservation, development, and management of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites.

Page 3, line 13, strike out all of section 6 and insert in lieu thereof the following:

"SEC. 6. The Act entitled 'An Act to incorporate the Roosevelt Memorial Association' approved on May 31, 1920 (41 Stat. 691) as amended by the Act approved on May 21, 1953 (67 Stat. 27), which changed the name of such corporation to the Theodore Roosevelt Association, and by the Act approved on March 29, 1956 (70 Stat. 60), which permitted such corporation to consolidate with Women's Theodore Roosevelt Association, Inc., is hereby further amended by adding to Section 3 thereof a new subdivision as follows:

"(4) The donation of real and personal property, including part or all of its endowment fund, to a public agency or public agencies for the purpose of preserving in public ownership historically significant properties associated with the life of Theodore Roosevelt."

and by deleting the word 'and' at the end of subdivision (2) of section 3."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks on the bill just passed at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, the merits of this bill are so clear that I shall not speak for more than a few minutes. A month or 6 weeks ago, I went with four of my colleagues on the Interior and Insular Affairs Committee to visit Theodore Roosevelt's birthplace on East 20th Street in New York City and his home at Sagamore Hill, Long Island. We were impressed, first, with the kindness and hospitality with which we were received by such distinguished citizens as Mrs. Richard Derby, youngest daughter of Theodore Roosevelt; Mr. Oscar S. Straus, grandson of his Secretary of the Navy; and Mrs. Reginald P. Rose, chairman of the Sagamore Hill Committee.

We were impressed, secondly, with the magnificent job that the Theodore Roosevelt Association has done over the years not only in maintaining and preserving Sagamore Hill and its invaluable contents—Theodore Roosevelt's furniture, his trophies, his books, his pictures—but also in rebuilding his birthplace and filling it and the adjoining home of his Uncle Robert with mementoes of his life. And we were impressed, in the third place, with the rare opportunity which the offer of the Theodore Roosevelt Association to donate these

properties and a fund of \$500,000 or more to the American Government presents. Like the chairman of our full Committee on Interior and Insular Affairs, I say that this bill deserves to pass by a unanimous vote of the House.

In so saying, however, I realize that some Members of the House will be wondering what the cost of upkeep will be. The estimate given us by the National Park Service experts is that it may run, at current prices, to \$95,000 a year. In addition, about \$325,000—a somewhat more generous estimate than others have made—may be needed for certain developments at Sagamore Hill—reconstruction and restoration of outbuildings, provision for the accommodation of visitors, and the establishment of nature trails on some of the 85 acres on which the home stands. I may ask, parenthetically, what better way of marking Theodore Roosevelt's love of the outdoors there could be than this.

Even if all this cost had to be borne by the Treasury, it would be a small price to pay in tribute to a great American. But, as I have already said, the Theodore Roosevelt Association has offered to donate a fund of more than \$500,000 to the Government along with the buildings, furnishings and land. This fund and the income which will be derived from visitors' fees, if they are charged, will go a long way towards meeting these costs.

The bill contains no new or unusual features that require discussion. The Committee amendments were all suggested or concurred in by officers of the Theodore Roosevelt Association and by officials of the National Park Service. I may, however, call particular attention to the amendment to section 5 of the bill which provides that the Secretary of the Interior shall consult with the Theodore Roosevelt Association in establishing an advisory committee to work with him in preserving, developing, and managing the two Theodore Roosevelt historic sites. I think that such a committee will serve a useful purpose and will assure the continued interest and support of those who, up to now, have contributed so generously to preserving his memory and his possessions.

There is no doubt, Mr. Speaker, that Theodore Roosevelt is one of the great Presidents of the United States. His life as an author, a statesman, a soldier, a conservationist—all these are made clear at Sagamore Hill and at his birthplace. I treasure the memory of my visit to those places. I want others, now and in the future, to have the same opportunity and the same pleasure that I had. They will be better Americans for it.

I, therefore, recommend that the House pass the bill as amended.

Mr. ASPINALL. Mr. Speaker, among the many great men who have occupied the Presidential chair from the beginning of the Republic until the present, there are few who could match, and none that I can think of during the 20th century who could excel, Theodore Roosevelt in versatility, in range of interest, and in forcefulness of leadership. He is clearly the outstanding President of the long years between the end of the

Civil War and the beginning of World War I. The whole country is indebted to him, and we from the West especially so.

I am, for this reason, especially glad to commend to the House the enactment of H.R. 8484 by our colleague, the gentleman from Texas, Congressman RUTHERFORD, and to note that its companions are H.R. 8486 by the gentleman from Pennsylvania, Congressman SAYLOR, H.R. 8487 by the gentleman from Colorado, Congressman CHENOWETH, House Joint Resolution 539 by the gentleman from New York, Congressman LINDSAY, and my own H.R. 8485.

Sagamore Hill on Long Island is a place name familiar to all of us. It was Theodore Roosevelt's home from 1884 until his death in 1919. It is now owned by the Theodore Roosevelt Association. The association believes, and I thoroughly agree, that it deserves to be taken into public ownership and to be preserved in perpetuity as a national historic site. Sagamore Hill itself, the Theodore Roosevelt birthplace in New York City, and a substantial endowment fund are all being offered as gifts to the American people. H.R. 8484 will authorize acceptance of these gifts and the maintenance of the two homes for the benefit and inspiration of the public by the National Park Service.

I know that many Members on both sides of the aisle will want the opportunity to pay tribute, even if it is the presentation of just a few remarks to the memory of Theodore Roosevelt. The permission I have just obtained will permit them to do so. For myself, I say only that this is a good bill—a bill which I am pleased has had the unanimous support of the House.

IMPORTATION OF HONEY BEES

The Clerk called the bill (H.R. 8050) to amend the act relating to the importation of adult honey bees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of August 31, 1922 (42 Stat. 833; 7 U.S.C. 281), is amended to read as follows:

"SECTION 1. In order to prevent the introduction and spread of diseases dangerous to the adult honeybee, the importation into the United States of all honeybees of the genus *Apis* in the adult stage is hereby prohibited, and all adult honeybees offered for import into the United States shall be destroyed if not immediately exported: *Provided*, That such adult honeybees may be imported into the United States by the United States Department of Agriculture for experimental or scientific purposes: *Provided further*, That such adult honeybees may be imported into the United States from countries in which the Secretary of Agriculture shall determine that no diseases dangerous to adult honeybees exist and that adequate precautions have been taken by such countries to prevent the importation of honeybees from countries where such dangerous diseases exist, under rules and regulations prescribed by the Secretary of the Treasury and the Secretary of Agriculture."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE EXCHANGE OF CERTAIN LANDS AT ANTIETAM NATIONAL BATTLEFIELD SITE

The Clerk called the bill (H.R. 10098) to authorize the exchange of certain lands at Antietam National Battlefield site.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to effect changes in land ownership made necessary by the widening and relocation of Maryland State Route 34 at Antietam National Battlefield site, the Secretary of the Interior may accept for the United States title to the following described lands, or interests in lands:

Beginning at the intersection of the northerly right-of-way line of Maryland Route Numbered 34 leading from Sharpsburg to Boonsboro with the northerly right-of-way line of the relocation of Richardson Avenue said point of intersection being 34.00 feet measured radially from station 17+00 of the base line of right-of-way as said base line of right-of-way is delineated on State Roads Commission's plat numbered 16968,

Thence binding along the aforementioned northerly right-of-way line of Richardson Avenue the two following course and distances, namely: north 38 degrees 37 minutes 30 seconds east, 71.78 feet and north 69 degrees 10 minutes 55 seconds east, 333.04 feet to intersect the westerly right-of-way line of Richardson Avenue,

Thence binding thereon south 12 degrees 31 minutes 20 seconds west, 31.12 feet to intersect the base line of right-of-way of the relocation of Richardson Avenue at station 3+33.73,

Thence continuing along the aforementioned westerly right-of-way line of Richardson Avenue south 12 degrees 31 minutes 20 seconds west, 116.03 feet to intersect the aforementioned northerly right-of-way line of Maryland Route Numbered 34,

Thence binding thereon the two following courses and distances, namely: south 84 degrees 45 minutes 55 seconds west, 213.33 feet, and by a curve to the left having a radius of 5,763.58 feet for a distance of 111.84 feet, said curve being subtended by a chord south 84 degrees 12 minutes 40 seconds west, 111.83 feet to the place of beginning.

Said parcel containing 0.66 acre, more or less, and being a part or parts of that tract of land which was conveyed from Henry Piper to Samuel D. Piper by deed dated March 7, 1890, and recorded among land records of Washington County in liber numbered 94, folio 449.

SEC. 2. In exchange for the conveyance of the lands described in section 1 of this Act, the Secretary of the Interior may convey the following described lands: An approximate 0.05-acre parcel of United States land comprising the southerly portion of Richardson Avenue located in Antietam National Battlefield site, extending from the northerly right-of-way line of the widened and relocated Maryland State Route 34 southwestward about 65 feet into the said Maryland State Route 34 right-of-way at station 20+40.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHANGING THE NAME OF WHITMAN NATIONAL MONUMENT TO WHITMAN MISSION NATIONAL HISTORIC SITE

The Clerk called the bill (H.R. 9805) to change the name of Whitman National

Monument to Whitman Mission National Historic Site.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective January 1, 1963, the Whitman National Monument, established pursuant to the Act of June 29, 1936 (49 Stat. 2028; 16 U.S.C. 433k-433m), shall be known as the Whitman Mission National Historic Site.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRIAL BOARDS FOR THE U.S. PARK POLICE

The Clerk called the bill (H.R. 8567) to authorize the Secretary of the Interior to create trial boards for the U.S. Park Police, and for other purposes.

Mr. FORD. Mr. Speaker, it is my understanding that this proposal is scheduled for consideration under suspension today. Therefore I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EMERGENCY LOANS TO OYSTER PLANTERS

The Clerk called the bill (H.R. 946) to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2(a) of the Act entitled "An Act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes", approved April 6, 1949, as amended (12 U.S.C. 1148a 2(a)), is amended to read as follows: "The Secretary is authorized to make loans (1) to farmers and stockmen for any agricultural purpose and (2) to oyster planters for any purpose relating to the planting, cultivation, and growing of oysters, in any area or region where he finds that a production disaster has caused a need for credit for such a purpose which is not readily available from commercial banks, cooperative lending agencies, or other responsible sources."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out 'farmers or ranchers' and inserting 'farmers, ranchers, or oyster planters' and by striking out 'farming or ranching' and inserting 'farming, ranching, or oyster planting.'"

The committee amendment was agreed to.

Mr. JOHNSON of Maryland. Mr. Speaker, I rise in support of H.R. 946. After making a most careful study of existing legislative proposals on the provision of disaster loans to our farmers—

and this includes oyster planters—in an effort to determine if our oyster planters who were confronted with difficulties by the mysterious "virus X" could qualify in disaster loan programs sponsored by the Government.

While the incursion of this deadly virus has not to date noticeably affected our oyster planters, the neighboring waters of Virginia have felt the impact of this deadly virus and I am apprehensive lest our adjacent waters are likewise affected.

Mr. DOWNING's measure, H.R. 946, would end loan discrimination against oyster planters. My study reveals oyster planters have been excluded from various disaster loan programs.

I can remember too well the extensive damage that two hurricanes have brought to our dirt and oyster farmers. The economy of my district suffered serious damage, particularly our oyster farmers. While we have a public law which makes a source of credit available to dirt farmers, our oyster farmers are entitled to no such relief. Mr. DOWNING's measure rectifies this injustice and I wholeheartedly support the passage of this bill.

Mr. LANKFORD. Mr. Speaker, the action taken by the House today in approving H.R. 946 is of great importance to the Fifth District of Maryland.

Farming of oysters is a major industry in the estuaries of my district, as it is in the estuaries of almost every coastal State. The oyster planter is an underwater farmer. He either buys or produces his own seed, which he plants on his growing beds. The success of oyster planting is adversely affected by unfavorable weather conditions in the same way as land farming. Severe storms damage the beds and the oysters planted on them. In such cases the oysters resting on the leased bottoms are covered with a deposit of sand and mud so that they are smothered and die, or the oysters may actually be swept off the hard grounds onto the adjacent soft mud where they sink into the bottom. The bottoms themselves are frequently rendered unsuitable for future planting without extensive restoration work by the planter. Some planted beds of oysters have been killed by a sharp drop in salinity brought about by the torrential rains which accompany hurricanes. Such a loss was sustained by oyster planters some years ago in our sister Chesapeake State of Virginia. Oysters can live in brackish waters with a salinity of about five parts of salt to a thousand parts of water. If the salt content is reduced below this level for any extended period of time, these wonderful bivalves cannot survive. During a hurricane the vast amount of fresh water flowing down a river, such as the Potomac, could greatly dilute the salt and be just as destructive to oysters as if they were covered with silt and mud. The parallel to the problems of the land farmer is striking indeed.

Oysters are the only cultivated marine animals in the waters of the United States. Since oysters are sedentary for all their adult life, they remain on the bottom locations where they are laid

down by the planter. This single characteristic has made possible the development of marine underwater farming. There is every expectancy that the crop will remain where it is planted until it is ready for harvesting, unless it is moved by man or moved or destroyed by storms.

Today, our oyster planters, who are so important to the future development of our marine food resources, are not afforded the assistance from the Federal Government needed for them to recover from natural disasters. H.R. 946 provides this assistance by placing oyster planters in the same category as land farmers under the provisions of the Consolidated Farmers Home Administration Act. No additional appropriations are needed now to effectuate this legislation since emergency loans to planters would be within the total funds authorized each year by the Congress to the Farmers Home Administration. Personally, it is my fervent hope that oyster planters are never forced to use the provisions of this legislation. They are independent, responsible hard working people who are used to handling their affairs very much like the land farmers in this great land of ours. But when disaster strikes from natural forces beyond their control, I feel they deserve to have the same consideration and Federal support as the land farmer would have in comparable circumstances.

The need for this legislation is urgent. The recent coastal disaster which damaged shellfish all the way from New York to North Carolina is an excellent example of the need. There is every reason to believe that comparable storms will occur in the future. We should be prepared to help these farmers of the sea to restore their unique business.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTIFICATES OF CITIZENSHIP IN THE CANAL ZONE

The Clerk called the bill (H.R. 9351) to authorize the issuance of certificates of citizenship in the Canal Zone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(a) (38) of the Immigration and Nationality Act (66 Stat. 171; 8 U.S.C. 1101(a) (38)), is amended by adding thereto the following sentence: "For the purpose of issuing certificates of citizenship to persons who are citizens of the United States by virtue of section 303 of this Act, the term 'United States' as used in section 341 of this Act includes the Canal Zone."

With the following committee amendment:

On line 7, after the words "United States" strike out "by virtue of section 303 of this Act".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATION OF TEXTILE IMPORTS

The Clerk called the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. CURTIS of Missouri. Mr. Speaker, reserving the right to object, it seems to me that a bill of this extensive nature has no business on the Consent Calendar. I understand it is also listed for consideration under suspension. And it is my understanding that it will not be brought up under suspension today. I would like to see it withdrawn from the Consent Calendar. And in order to start it on its way, I would object.

Mr. FORD. Mr. Speaker, I withdraw my unanimous-consent request that the bill be passed over without prejudice, so that those who want to object may do so at this point.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CURTIS of Missouri. Mr. Speaker, I object.

Mr. GROSS. Mr. Speaker, I object.

H.R. 10788

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FINDLEY. Mr. Speaker, one of the most widely heralded proposals before this session of Congress is the one to increase Presidential authority to lower tariffs.

From studying the avalanche of material emanating from the State Department and the White House, one might conclude that the goal of the administration is a greater degree of free trade among nations.

H.R. 10788 should make us all pause and wonder just what is afoot.

Testifying in behalf of this bill before the Committee on Agriculture on March 23, Assistant Secretary of Commerce Hickman Price, Jr., had this to say:

I appear here today to provide you with the view of the Department of Commerce and of the departments represented on the Interagency Textile Administrative Committee in support of H.R. 10788, introduced by the chairman to amend section 204 of the Agricultural Act of 1956.

The Interagency Textile Administrative Committee was established by the President's Cabinet Textile Advisory Committee at the direction of the President to carry out the rights and obligations of the United States under the short-term arrangement relating to international trade in cotton textiles and textile products provided for in the International Textile Agreement of July 21, 1961, at Geneva. The Departments represented are State, Treasury, Agriculture, Labor, and Commerce.

At the direction of the President, acting under authority of section 204 of the Agricultural Act of 1956, which we now seek to amend, the State Department called a conference of the principal countries engaged in importing and exporting cotton textiles. The conference agreed upon the short-term arrangement mentioned above which provides for the orderly international marketing of

textiles between participating countries for a period of 1 year ending September 30, 1962. A long term cotton textile arrangement, expected to come into force on October 1, 1962, was later drafted.

In both arrangements, provisions permit the United States to take action to prevent trade with nonparticipants in the arrangements from frustrating the purposes of the arrangements. Participants will undertake under the terms of the arrangement not to export in amounts sufficient to disrupt the markets of importing countries.

The amendment to section 204 which would be provided by the enactment of H.R. 10788 now under consideration would clearly establish the authority of the President to prevent a minority of countries engaged in textile trade who are not participants to the arrangements to gain an advantage over the participants in the competition for our textile markets.

Probable shipments from nonparticipants in volume which may be sufficient to jeopardize the orderly marketing provided by the arrangements have been brought to our attention and we urge your early and favorable action on H.R. 10788 to provide clear authority in the President to deal with such action.

This legislation would clarify Presidential authority to help rig the world cotton textile market through multinational agreement and to discriminate against cotton from nations not in the deal.

All this started innocently enough back in the 1930's when Government established an acreage control and price-support program to help the cotton farmer. One thing led to another, because controls beget controls. Artificial pricing led to export subsidies. Export subsidies gave foreign textile mills an unfair advantage over U.S. mills.

In this bill we have the most colossal offspring of all: legislative authority for a program aimed at rigging cotton textile markets on an international scale.

This smacks of the discriminatory quota and cartel schemes which have already supplanted tariffs as regulators of a great portion of world commerce.

The prize example in the United States is our sugar quota system. Government decides who gets how much of U.S. sugar business. Sugar trade has become part and parcel of foreign policy, and the private enterprise market in U.S. sugar is almost a thing of the past. The consumer pays the penalty, and our rigged markets irritate sugar producers and would-be producers not in the favored circle.

Is this where we are headed in the New Frontier foreign trade program? Are we to scrap the equitable, honest, and open tariff system in favor of deals worked out by Executive authority, deals like the one just concluded in cotton?

Secretary of State Dean Rusk, speaking February 21, 1962, at the Chamber of Commerce of Charlotte, N.C., had this to say:

Either we believe in capitalism, in the freedom of individual enterprise, or we do not. And we do not if we hold with massive Government intervention to distort and freeze the operation of the market. If we look to Government to rig the game, we may as well look to it to play the hands. If we mean to discourage the forces of free enterprise all around the world, I can think of no better way of doing it—without even

stirring from our chairs—than to shrink from competition behind unrealistic tariff walls.

How can Mr. Rusk reconcile this statement with his Department's support of H.R. 10788? Are we not, in this bill, shrinking from competition behind quotas? Are we not indeed violating our most-favored-nation policy in foreign trade?

To paraphrase Mr. Rusk: Either we believe in free trade or we do not. And we do not, if we hold with massive government intervention to distort and freeze the operation of the world cotton textile market.

If we look to Government to rig the game, we may as well look to it to play the hands. If we mean to discourage the forces of free enterprise all around the world, I can think of no better way of doing it—without even stirring from our chairs—than to shrink from competition behind quotas.

PAYMENTS OF COSTS OF RESEARCH AT UNIVERSITIES

The Clerk called the bill (H.R. 6984) to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I am very familiar with a number of instances where there might be a controversy concerning this legislation. Perhaps the gentleman from Wisconsin has a comment or two; and I yield to him at this time.

Mr. LAIRD. Mr. Speaker, I believe this legislation should be studied very carefully. The House of Representatives took action just this last week to limit again the overhead costs as far as research grants in the Department of HEW are concerned, particularly at the National Institutes of Health, to 15 percent. Personally I favor a 20-percent limitation as far as these costs are concerned. The whole matter is presently under study by the various subcommittees on appropriations, because we have the Department of Defense granting indirect costs up to 100 and 121 percent. I think this whole matter should be gone into very carefully. I believe this bill should be looked at thoroughly and not considered under the procedure of the Consent Calendar.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. This bill has nothing to do with the percentage to be allowed. It does not change that in any ways. It just provides that the estimated amount will be the amount paid. The total amount to be paid will not be changed.

Mr. LAIRD. If you will notice the report, Wilbur J. Cohen, Assistant Secretary of the Department of Health, Education, and Welfare, makes it very clear that the bill does not apply to that department because of the 15 percent

limitation which is written into the appropriation act for that particular department. There is consideration at the present time about writing similar legislation into all of the appropriation acts so that we will have a specific figure set in all the departments of the Government.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Michigan.

Mr. MEADER. This bill was reported unanimously by the Committee on Government Operations as the result of hearings and in response to an appeal by the Administrator of Educational Institutions. It happens that the University of Michigan has had to wrestle with this problem. It arises because in January of 1956 the Comptroller General in a ruling provided that under cost-type research contracts there could not be a fixed rate for a certain percentage of administrative costs agreed upon between the Government agency and the educational institution conducting the research, because of a provision of a general bill which would prohibit the cost-plus-a-fixed-fee type of contract. The Comptroller General appeared before the committee and had no objection to this bill. The reason for asking for this authority in the research contract is that at the present time an estimate is made of indirect cost. Then after the research contract is fulfilled and completed, there is in effect a renegotiation of the indirect cost which may result in increasing the allowance on indirect cost or decreasing it. But in the meanwhile, in addition to all of the bookkeeping and auditing required in this procedure, the institutions are unsettled as to their own budgeting of their affairs, because they do not know just what they are eventually going to receive. This would be of benefit both to the Federal Government and to the research institutions. They would have a determined knowledge of what they were going to receive. It would be subject to negotiation, of course.

Mr. LAIRD. Mr. Speaker, if the gentleman will yield further, the gentleman from Michigan has made a point which bears on my discussion of the bill. I feel that we should have a uniform policy in the Government. We will have some paying 50 percent, some 58 percent, and some 15 percent. The point I am making is whether you negotiate before or after; I believe a uniform indirect cost rate should be established. One department should not have one particular limitation and another department have an open-end proposition. I believe this whole matter needs careful and thorough study by the Congress.

Mr. MEADER. Is it the interpretation of the gentleman from Wisconsin that the passage of H.R. 6984 would permit the Department of Health, Education, and Welfare in its research grants to contract for a fixed rate for indirect costs in excess of the limitation of 15 percent contained in the appropriation bill?

Mr. LAIRD. Certainly, that is true as far as contracts are concerned. The

H. R. 946

IN THE SENATE OF THE UNITED STATES

APRIL 3, 1962

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (b) of section 321 of the Consolidated Farm-
4 ers Home Administration Act of 1961 is amended by striking
5 out "farmers or ranchers" and inserting "farmers, ranchers,
6 or oyster planters" and by striking out "farming or ranch-
7 ing" and inserting "farming, ranching, or oyster planting".

Passed the House of Representatives April 2, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

87TH CONGRESS
2^D Session

H. R. 946

AN ACT

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

APRIL 3, 1962

Read twice and referred to the Committee on
Agriculture and Forestry

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 2, 1962

For actions of Oct. 1, 1962

87th-2d, No. 178

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HIGHLIGHTS: For highlights see page No. 8.

SENATE

1. AGRICULTURE AND FORESTRY COMMITTEE reported the following bills: p. 20245

S. 3756, without amendment, to amend Sec. 309 of the Food and Agriculture Act of 1962 so as to provide that a farm marketing quota on the 1963 wheat crop shall be applicable to any farm on which acreage of wheat exceeds the smaller of 15 acres or the highest number of acres planted to wheat on the farm in calendar years 1959, 1960, 1961, or 1963 (instead of 1959, 1960, or 1961) (S. Rept. 2224).

H. R. 12653, without amendment, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the amount of loans which may be insured under the Act (S. Rept. 2220).

H. R. 10708, with amendment, to amend the Rural Electrification Act with respect to financing communication facilities for transmission of sounds, signals, pictures, writing, and signs, as well as voice (S. Rept. 2221).

H. R. 12855, without amendment, to amend provisions of the Agricultural Adjustment Act of 1938 providing for the lease and transfer of tobacco acreage allotment so as to exclude cigar-filler and cigar-binder tobacco, types 42, 43, 44, 53, 54, and 55 from the lease and transfer authority (S. Rept. 2219).

THE AGRICULTURE AND FORESTRY COMMITTEE reported the following bills:

H. R. 946, without amendment, to extend to oyster planters the benefits of the provisions of present law which provide for production disaster loans for farmers and stockmen (S. Rept. 2219).

S. 3370, with amendment, to authorize the Secretary of Agriculture to relinquish to Wyo. jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District (S. Rept. 2223).

2. APPROPRIATIONS; BUDGET. Received from the President supplemental appropriations for fiscal year 1963 for this Department (S. Doc. 152)(p. 20245). Attached to this Digest is a summary of the items pertaining to this Department.
3. PUBLIC WORKS APPROPRIATION BILL, 1963. Passed with amendments this bill, H.R. 12900. Conferees were appointed. pp. 20239-45
4. FARM PROGRAM. Sen. Humphrey criticized charges of the Republican National Committee against the Food and Agriculture Act of 1962 as "a deliberate and reckless attempt to turn farmers against consumers and city dwellers against rural America," and defended the Act against these charges. Sen. Kuchel defended the charges and contended that the farm bill had merited defeat. pp. 20335-6
Sen. Kuchel inserted an editorial critical of the farm program and relating experiences of Sen. Anderson in conducting farm operations under the program. p. 20336
5. WORLD FOOD CONGRESS. The "Daily Digest" states that the Foreign Relations Committee approved with amendment S. 3679, to authorize funds to enable the U. S. to extend an invitation to the Food and Agricultural Organization of the U. N. to hold a World Food Congress in the U. S. in 1963. p. D917
6. WATERSHEDS. The Agriculture and Forestry Committee approved the following watershed projects: Crooked Bayou, Ark.; West Fork Pond River, Ky., and Hardin Creek and Mill Creek, Tenn. p. D916
7. PUBLIC WORKS. The Public Works Committee reported without amendment (an original bill) S. 3773, the public works authorization bill (S. Rept. 2258), p. 20246
8. FOREIGN AID APPROPRIATION BILL, 1963. Began debate on this bill, H. R. 13175 (pp. 20248, 20260-2, 20270-92, 20298-329). By a vote of 34 to 40, rejected an amendment by Sen. Ellender to reduce by \$200 million the amounts for development loans and economic assistance (pp. 20314-9).
9. STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1963. The Appropriations Committee reported with amendments this bill, H. R. 12580 (S. Rept. 2226). p. 20245
10. STATISTICS. The Post Office and Civil Service Committee reported without amendment H. R. 7791, to provide for the collection and publication of foreign commerce and trade statistics (S. Rept. 2217). p. 20245

EMERGENCY LOANS TO OYSTER PLANTERS

OCTOBER 1, 1962.—Ordered to be printed

Mr. HOLLAND, from the Committee on Agriculture and Forestry,
submitted the following

R E P O R T

[To accompany H.R. 946]

The Committee on Agriculture and Forestry, to whom was referred the bill (H.R. 946), to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen, having considered the same, report thereon with a recommendation that it do pass without amendment.

This bill would authorize disaster loans to oyster planters under subtitle C of the Consolidated Farmers Home Administration Act of 1961. Hearings were held by the subcommittee in charge of this legislation and have been printed. There was no opposition to the bill.

At the hearing several witnesses proposed an amendment to include shrimp fishermen. The committee considered this amendment carefully, but felt that the inclusion of fishermen who move from place to place in their operations and whose operations have none of the incidents of farming should not be included in a farm loan bill. As pointed out in the attached report of the House Committee on Agriculture, oystermen generally are not covered by the bill, but only oyster planters. Oyster planters plant, cultivate, and harvest their crops like other farmers and have been treated as farmers in other farm loan legislation.

The reports of the Department of Agriculture and the Department of the Interior are set out after the following report of the House Committee on Agriculture, which further explains the bill and the need for its enactment.

[H. Rept. 1502, 87th Cong., 2d sess.]

The Committee on Agriculture, to whom was referred the bill (H.R. 946) to extend to oyster planters the benefits of the provisions of the present law which provide for produc-

tion disaster loans for farmers and stockmen, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert:

"That subsection (v) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out 'farmers or ranchers' and inserting 'farmers, ranchers, or oyster planters' and by striking out 'farming or ranching' and inserting 'farming, ranching, or oyster planting' "

PURPOSE

The bill would amend the emergency loan provisions of the Consolidated Farmers Home Administration Act of 1961 to make it clear that oyster planters are included among the eligible recipients of such loans.

Emergency loans as authorized by this act may be made by the Farmers Home Administration only in so-called disaster areas which have been designated by the Secretary of Agriculture as the result of a finding (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans under regular FHA real estate or production loan authorities) at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

Such loans may be made for any of the purposes for which regular FHA real estate or production loans may be made but only in the event of the three conditions noted above (1) that there has been a natural disaster in the area, (2) that agricultural credit is not available from any other responsible source, and (3) that the area has been designated as a disaster area by the Secretary of Agriculture. Inclusion of oyster planters in this disaster loan program would not make them eligible for regular FHA loans

NEED FOR THE LEGISLATION

The immediate need for the legislation is, of course, the disaster which has struck the oyster-producing area of the Atlantic coast as the result of the recent destructive storm. This storm washed over the outer sand barriers and into the bays and inlets where oysters are produced. It covered many of the beds with sand, killing the oysters therein, and otherwise caused serious damage, if not complete destruction, of many of the oysterbeds. This will require rehabilitation of the beds, in some instances the establishment of a new rock bottom on which the oysters may grow, and certainly the replanting of the beds to new oysters.

Oystermen are distinguished from other producers of seafoods in at least two respects: (1) Oysters do not travel from place to place but remain fixed at one locality after a very early stage of their development; and (2) most oysters are

grown on legally designated plots of land beneath the surface of bays and salt water inlets which are marked by fixed boundaries and which either belong to the oyster planter or are leased from some State or other agency for the purpose of oyster production. In addition, oysters are planted, cultivated, and harvested much as any other agricultural crop and are ordinarily produced on land which has been specially prepared for that purpose.

In this connection, it will be noted that the committee has used the words "oyster planters" rather than "oystermen" to distinguish the operation described above from that of searching for oysters in the open sea and harvesting them from wild beds.

The concept that oyster planters might be considered farmers under the provisions of the agricultural loan programs is not a new one. By the act of June 18, 1934 (12 U.S.C. 1131g-2) Congress authorized production credit associations, operating under the Farm Credit Administration, to make loans to oyster planters. The authority for FHA emergency loans contained in this bill does not duplicate this authority, since the emergency loan provisions of the act provide that such loans may not be made to any farmers (including oyster planters) if credit is available from other sources, including production credit associations.

COST

Since the total amount of loans by the Farmers Home Administration is authorized from year to year by the Congress and since the emergency loans to oyster planters which might be made pursuant to the authority of this bill would come within that total authorization, there would not be any additional cost to the Government as the result of the enactment of this bill.

COMMITTEE AMENDMENT

H.R. 946 was introduced on January 3, 1961, before the enactment in the Agricultural Act of 1961 of the Consolidated Farmers Home Administration Act of 1961. This act consolidated the many laws relating to FHA loan operation into one statute and repealed a number of previous statutes relating to specific parts of the loan program, including the act of April 6, 1949, which H.R. 946 would have amended. The committee amendment, therefore, merely applies the purpose of H.R. 946 to the law as it exists today.

DEPARTMENTAL RECOMMENDATIONS

The Department of Agriculture in reporting on the bill, and in testimony before the committee, took the position that it had no objection to the inclusion of oyster planters in the emergency loan program but that the determination as to whether or not they should properly be included was outside

its field of competence and should be determined by the Congress, with the advice of the Department of Interior.

The Department of the Interior, because of the time element rising from the urgent need for the legislation, did not develop a departmental policy position on the bill but spokesmen for the Bureau of Commercial Fisheries of that Department, testifying at the hearing, indicated they felt that oystermen should have this emergency credit available to them and that disease-resistant oysters had been developed to the point where loans for the replanting of oysterbeds could be made with a minimum of risk.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 25, 1962.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR SENATOR ELLENDER: This is in response to your request for a report on H.R. 946, a bill to extend to oyster planters the benefits of the provisions of the present law which provides for production disaster loans for farmers and stockmen.

Under the provisions of subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961, the Farmers Home Administration is authorized to make emergency loans to farmers and ranchers in areas that have suffered substantial production losses as a result of a natural disaster that created a need for agricultural credit which cannot be met for temporary periods by other established sources. This authority has been interpreted to authorize loans for the production of crops, livestock, and livestock products rather than the production of oysters or other marine life or products. For this reason, loans have not been made in the past for purposes related to the planting, cultivation, and growing of oysters. H.R. 946 would amend the emergency loan provisions of the Consolidated Farmers Home Administration Act of 1961 to authorize loans to oyster planters.

This Department believes the Department of the Interior would be in a better position to make a recommendation as to whether Government loans should be made to oyster planters.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 6, 1962.

HON. ALLEN J. ELLENDER,
*Chairman, Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.*

DEAR SENATOR ELLENDER: Your committee has requested a report on H.R. 946 to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

We are sympathetic to the objectives of this bill.

Oyster planters are generally comparable to farmers or stockmen since they plant young oysters upon privately owned or leased grounds, maintain and protect them until they grow to marketable size, harvest them, and send them to market. In some cases, oyster planters maintain brood stocks for production of seed oysters. In other cases, brood stocks are maintained in public reserves and the resulting seed oysters are purchased by private planters.

Oyster planters have qualified in certain instances for agricultural loans, but have not been included under the provisions of the present law which provides for production disaster loans. H.R. 946 would extend the benefits of the provisions of the present law concerning production disaster loans to include oyster planters.

Well-documented disasters, which occur periodically, have seriously affected the production of oysters. Causes of these disasters include storms, hurricanes, floods, diseases, and unusual predation. In these instances, oyster planters have needed credit but such credit has not been readily available from commercial banks, cooperative lending agencies, or other responsible sources. In the circumstances, this bill will fill a need that exists.

We are advised that while there would be no objection to the presentation of this report from the standpoint of the administration's program, the Bureau of the Budget believes that the provisions of H.R. 946 should be considered in the light of the Department's recommendations to the House Committee on Merchant Marine and Fisheries with respect to H.R. 9375. The Bureau of the Budget also questions whether making such an authorization to the Secretary of Agriculture is consistent with the general intention of section 6(a) of the Fish and Wildlife Act of 1956, which called for transferring to the Secretary of the Interior of all functions of Federal agencies relating primarily to the development, advancement, management, conservation, and protection of the commercial fisheries.

Sincerely yours,

KENNETH HOLUM,
Acting Secretary of the Interior.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

* * * * * *

SUBTITLE C—EMERGENCY LOANS

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

(b) The Secretary is authorized to make loans in any such area (1) to establish **【farmers or ranchers】** *farmers, ranchers, or oyster planters* who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in **【farming or ranching】** *farming, ranching, or oyster planting* provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.



Calendar No. 2181

87TH CONGRESS
2^D SESSION

H. R. 946

[Report No. 2219]

IN THE SENATE OF THE UNITED STATES

APRIL 3, 1962

Read twice and referred to the Committee on Agriculture and Forestry

OCTOBER 1, 1962

Reported by Mr. HOLLAND, without amendment

AN ACT

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subsection (b) of section 321 of the Consolidated Farm-
4 ers Home Administration Act of 1961 is amended by striking
5 out “farmers or ranchers” and inserting “farmers, ranchers,
6 or oyster planters” and by striking out “farming or ranch-
7 ing” and inserting “farming, ranching, or oyster planting”.

Passed the House of Representatives April 2, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

AN ACT

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

APRIL 3, 1962

Read twice and referred to the Committee on
Agriculture and Forestry

OCTOBER 1, 1962

Reported without amendment

11. LOANS. Passed without amendment H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the amount of loans which may be insured under the Act. This bill will now be sent to the President. pp. 20491-2

Passed without amendment H. R. 946, to extend to oyster planters the benefits of the provisions of present law which provide for production disaster loans for farmers and stockmen. This bill will now be sent to the President. p. 20491

12. SCHOOL LUNCH. Both Houses received and the Senate agreed to the conference report on H. R. 11665, to amend the National School Lunch Act so as to revise the formula for apportioning cash assistance funds to States to base it on the number of lunches served in the preceding year and a slightly modified assistance need factor (instead of on the number of children aged 5 to 17 and the assistance need factor) and provide for a three-year transition to the new formula (25 percent of the funds being apportioned on the new formula the first year, 50 percent the second year, and 75 percent on the new formula the third year) (H. Rept. 2512). pp. 20535, 20595-6, 20571, 20650

13. FOREIGN AID APPROPRIATION BILL, 1963. By a vote of 57 to 24, passed with amendments this bill, H. R. 13175. Conferees were appointed. pp. 20446-68, 20494-5, 20500-03, 20510-3

14. WORLD FOOD CONGRESS. The Foreign Relations Committee reported with amendment S. 3679, to authorize appropriations to enable the U. S. to extend an invitation to the Food and Agricultural Organization of the U. N. to hold a World Food Congress in the U. S. in 1963 (S. Rept. 2263). p. 20514

15. MINERALS. Passed as reported S. 1696, to authorize the Secretary of the Interior to conduct a survey of federally-owned lands for the purpose of locating strategic minerals. pp. 20475-6

16. TOBACCO. Passed without amendment H. R. 12855, to amend the Agricultural Adjustment Act of 1938 providing for the lease and transfer of tobacco acreage allotments so as to exclude cigar-filler and cigar-binder tobacco, types 42, 43, 44, 53, 54, and 55 from the lease and transfer authority. This bill will now be sent to the President. p. 20492

17. ELECTRIFICATION. Passed as reported H. R. 10708, to amend the Rural Electrification Act of 1936 so as to authorize REA to finance communication facilities for the transmission of sounds, signals, pictures, writing, or signs as well as voice. p. 20492

18. EDUCATION. Passed as reported S. 3477, to provide a program to assist the States in further developing their programs of general university extension education to be operated by the State universities and land-grant colleges. pp. 20476-8

19. FORESTRY. Passed as reported S. 3370, to authorize the Secretary of Agriculture to relinquish to Wyo. jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District. p. 20492

Sen. Yarborough inserted an article discussing the purpose and problems of the national parks, "National Parks - A National Issue." pp. 20492-3

20. BONDING. Received from Treasury a report on operations in connection with the bonding of Government officers and employees for fiscal year 1962. pp. 20513-4

21. COMMUNICATIONS. The Government Operations Committee reported without amendment H. R. 11899, to amend the Federal Property and Administrative Services Act so

as to provide for a Federal telecommunications fund (S. Rept. 2262). p. 20514

22. WATER POLLUTION. Passed without amendment H. R. 10617, to give the U. S. district courts concurrent original jurisdiction of cases involving the pollution of interstate river systems where the pollution is an alleged violation of an interstate compact and the signatory States have consented to such jurisdiction in their compact. This bill will now be sent to the President. pp. 20479-80
23. PUBLIC LANDS. Passed without amendment H. Con. Res. 574, to authorize the compiling and printing of a U. S. map showing the extent of public surveys, national forests, national parks, reclamation projects, etc. p. 20487
24. APPROPRIATIONS. Sen. Smathers submitted notice of his intention to suspend the rules for the purpose of proposing an amendment to H. R. 13290, the supplemental appropriation bill, so as to include the provisions of a recently passed bill to provide for retirement plans for self-employed individuals. pp. 20515-21
25. PASSED OVER the following bills:
 - S. 2225, to fix the fees payable to the Patent Office. p. 20473
 - H. R. 8140, to strengthen the laws relating to conflict of interest. p. 20480
26. LIBRARY. Sen. Jordan inserted a report of the Library of Congress on its functions and programs. pp. 20523-31
27. TRADE FAIRS. Conferees were appointed on S. 3389, to promote the foreign trade of the U. S. through the use of mobile trade fairs. House conferees have not yet been appointed. p. 20535
28. MIGRATORY BIRDS. Concurred in the House amendment to S. 3504, to authorize the appropriation of \$7500 for expenses of the Migratory Bird Conservation Commission. This bill will now be sent to the President. p. 20540
29. TRANSPORTATION. Agreed to the conference report on S. 320, to amend the Interstate Commerce Act so as to permit State commissions to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the State. This bill will now be sent to the President. pp. 20546-7
30. PATENTS. Passed as reported S. 2639, to amend title 35, U.S.C., to permit a written declaration to be accepted in lieu of an oath from applicants for patents or trademarks. pp. 20566-7
 - Passed as reported H. R. 12513, to provide for public notice of settlements in patent interferences. p. 20566
31. STATE-JUSTICE-COMMERCE APPROPRIATION BILL, 1963. This bill, H. R. 12580, was made the unfinished business of the Senate. p. 20567
32. WATERSHEDS. The "Daily Digest" states that the Public Works Committee "in executive session, approved the following watershed projects: Tobesoskee Creek, Ga.; Cottonwood Creek, Okla.; Delaware Creek, Okla.; and Boulder Lake Watershed, Wyo." p. D927
33. LEGISLATIVE PROGRAM. Sen. Mansfield announced that H. R. 8140, to strengthen the criminal laws relating to bribery, graft, and conflict of interest, will be considered on Wed., followed by the State, Justice, and Commerce appropriation bill; the conference report on the drug bill; and the conference report on the

The bill (S. 3760) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 201 of the National Defense Education Act of 1958 is amended by striking out "each for the fiscal year ending June 30, 1962, and for the two succeeding fiscal years" and inserting in lieu thereof "for the fiscal year ending June 30, 1962, \$125,000,000 each for the fiscal year ending June 30, 1963, and the succeeding fiscal year".

(b) Section 203(b) of such Act is amended by striking out "\$250,000" and inserting in lieu thereof "\$500,000".

SEC. 2. Section 302(a)(4) of such Act is amended to read as follows:

"(4) The amount of any State's allotment under this subsection for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State plan (if any) approved under this part for which such allotment is available shall be available for reallocation from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under this subsection, but with such adjustments as may be necessary to prevent reallocation to any State of any sum in excess of the amount which the Commissioner estimates it needs and will be able to use for such year for carrying out the part of the State plan for which the amount reallocated would be available. Any amount reallocated to a State under this paragraph during the year from funds appropriated pursuant to the first sentence of section 301 shall be deemed part of its allotment under this subsection for such year."

SEC. 3. Section 303(a)(1) of such Act is amended by striking out "suitable" and inserting in lieu thereof the following: "and of test-grading equipment, equipment for use by teachers or students in public elementary or secondary schools for producing or reproducing audiovisual materials for instructional purposes, and specialized equipment for audiovisual libraries or centers serving such schools."

EXTENSION TO OYSTER PLANTERS OF BENEFITS OF DISASTER LOANS FOR FARMERS AND STOCKMEN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2181, House bill 946.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H.R. 946) to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report—No. 2219—explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry, to whom was referred to bill (H.R. 946), to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen, having considered

the same, report thereon with a recommendation that it do pass without amendment.

This bill would authorize disaster loans to oyster planters under subtitle C of the Consolidated Farmers Home Administration Act of 1961. Hearings were held by the subcommittee in charge of this legislation and have been printed. There was no opposition to the bill.

At the hearing several witnesses proposed an amendment to include shrimp fishermen. The committee considered this amendment carefully, but felt that the inclusion of fishermen who move from place to place in their operations and whose operations have none of the incidents of farming should not be included in a farm loan bill. As pointed out in the attached report of the House Committee on Agriculture, oystermen generally are not covered by the bill, but only oyster planters. Oyster planters plant, cultivate, and harvest their crops like other farmers and have been treated as farmers in other farm loan legislation.

The report * * * of the House Committee on Agriculture * * * further explains the bill and the need for its enactment:

"[H. Rept. No. 1502, 87th Cong., 2d sess.]

"The Committee on Agriculture, to whom was referred the bill (H.R. 946) to extend oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

"The amendments are as follows:

"Strike out all after the enacting clause and insert:

"That subsection (v) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out "farmers or ranchers" and inserting "farmers, ranchers, or oyster planters" and by striking out "farming or ranching" and inserting "farming, ranching, or oyster planting".

"PURPOSE

"The bill would amend the emergency loan provisions of the Consolidated Farmers Home Administration Act of 1961 to make it clear that oyster planters are included among the eligible recipients of such loans.

"Emergency loans as authorized by this act may be made by the Farmers Home Administration only in so-called disaster areas which have been designated by the Secretary of Agriculture as the result of a finding (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans under regular FHA real estate or production loan authorities) at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

"Such loans may be made for any of the purposes for which regular FHA real estate or production loans may be made but only in the event of the three conditions noted above (1) that there has been a natural disaster in the area, (2) that agricultural credit is not available from any other responsible source, and (3) that the area has been designated as a disaster area by the Secretary of Agriculture. Inclusion of oyster planters in this disaster loan program would not make them eligible for regular FHA loans.

"NEED FOR THE LEGISLATION

"The immediate need for the legislation is, of course, the disaster which has struck the oyster-producing area of the Atlantic coast as the result of the recent destructive storm. This storm washed over the outer sand barriers and into the bays and inlets where oysters are produced. It covered many

of the beds with sand, killing the oysters therein, and otherwise caused serious damage, if not complete destruction, of many of the oysterbeds. This will require rehabilitation of the beds, in some instances the establishment of a new rock bottom on which the oysters may grow, and certainly the replanting of the beds to new oysters.

"Oystermen are distinguished from other producers of seafoods in at least two respects: (1) Oysters do not travel from place to place but remain fixed at one locality after a very early stage of their development; and (2) most oysters are grown on legally designated plots of land beneath the surface of bays and salt water inlets which are marked by fixed boundaries and which either belong to the oyster planter or are leased from some State or other agency for the purpose of oyster production. In addition, oysters are planted, cultivated, and harvested much as any other agricultural crop and are ordinarily produced on land which has been specially prepared for that purpose.

"In this connection, it will be noted that the committee has used the words "oyster planters" rather than "oystermen" to distinguish the operation described above from that of searching for oysters in the open sea and harvesting them from wild beds.

"The concept that oyster planters might be considered farmers under the provisions of the agricultural loan programs is not a new one. By the act of June 18, 1934 (12 U.S.C. 1131g-2) Congress authorized production credit associations, operating under the Farm Credit Administration, to make loans to oyster planters. The authority for FHA emergency loans contained in this bill does not duplicate this authority, since the emergency loan provisions of the act provide that such loans may not be made to any farmers (including oyster planters) if credit is available from other sources, including production credit associations.

"COST

"Since the total amount of loans by the Farmers Home Administration is authorized from year to year by the Congress and since the emergency loans to oyster planters which might be made pursuant to the authority of this bill would come within that total authorization, there would not be any additional cost to the Government as the result of the enactment of this bill.

"COMMITTEE AMENDMENT

"H.R. 946 was introduced on January 3, 1961, before the enactment in the Agricultural Act of 1961 of the Consolidated Farmers Home Administration Act of 1961. This act consolidated the many laws relating to FHA loan operation into one statute and repealed a number of previous statutes relating to specific parts of the loan program, including the act of April 6, 1949, which H.R. 946 would have amended. The committee amendment, therefore, merely applies the purpose of H.R. 946 to the law as it exists today."

AMENDMENT OF CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2182, House bill 12653.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H.R. 12653) to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be

insured under subtitle A of such act was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report—No. 2220—explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to increase from \$150 million annually to \$200 million annually the amount of loans which may be insured under the Consolidated Farmers Home Administration Act of 1961.

NEED FOR THE LEGISLATION

A substantial part of the FHA loan program for farmers is carried out by insuring loans made by private credit agencies which meet the standards and requirements of the Farmers Home Administration, rather than by the direct use of Federal funds. The current authorization for such loans, enacted as part of the Agricultural Act of 1961, limits the amount of insured loans in any fiscal year to \$150 million. The demand for insured loans was so great during the last previous fiscal year that the \$150 million annual insurance authorization was exhausted on May 11, 1962. This bill will permit FHA to meet this demand for agricultural credit at least for the current fiscal year by increasing the authorization for insured loans to \$200 million.

COMMITTEE AMENDMENT

The bill as introduced would have authorized an increase in the amount of insured loans to \$300 million. The Secretary of Agriculture in reporting favorably on the bill recommended that this be reduced to \$200 million and the committee has followed this recommendation.

COST

There will be no appreciable increase in administrative cost as the result of this legislation and, on the contrary, it will permit a substantial increase in FHA loans to farmers with the use of private funds rather than Federal funds.

AMENDMENT OF RURAL ELECTRIFICATION ACT OF 1936

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2183, House bill 10708.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H.R. 10708) to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity, which had been reported from the Committee on Agriculture and Forestry, with an amendment on page 2, line 4, after the word "mean", to strike out "telegraph services or facilities, or community antenna television system services or facilities such service and facilities shall be limited to closed circuit television operations other than those intended" and insert "message telegram service or community antenna television system services or facilities other than those intended exclusively".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LEASE AND TRANSFER OF TOBACCO ACREAGE ALLOTMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2184, House bill 12855.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H.R. 12855) to amend the Agricultural Adjustment Act of 1938 relating to the lease and transfer of tobacco acreage allotments was considered, ordered to a third reading, was read the third time, and passed.

POLE MOUNTAIN DISTRICT

Mr. MANSFIELD. Mr. President, I ask that the Senate now proceed to consider Calendar No. 2185, Senate bill 3370.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 3370) to authorize the Secretary of Agriculture to relinquish to the State of Wyoming jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain district, which had been reported from the Committee on Agriculture and Forestry, with an amendment on page 1, line 3, after the word "authorized", to strike out "and directed to relinquish to the State of Wyoming all" and insert "to relinquish to the State of Wyoming such measure as he may deem desirable of legislative"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Agriculture is authorized to relinquish to the State of Wyoming such measure as he may deem desirable of legislative jurisdiction heretofore acquired by the United States over lands within the Medicine Bow National Forest constituting the area known as the Pole Mountain District, created by Executive Order Numbered 4245, dated June 5, 1925, as amended by public land order numbered 1897, dated July 10, 1959.

(b) Relinquishment of jurisdiction under the authority of this Act may be made by filing with the Governor of the State of Wyoming a notice of such relinquishment, which shall take effect upon acceptance thereof by the State of Wyoming in such manner as the laws of such State may prescribe.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FOOD AND AGRICULTURE ACT OF 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2186, Senate bill 3756.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3756) to amend section 309 of the Food and Agriculture Act of 1962.

Mr. MANSFIELD. Instead, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 13241, to amend section 309 of the Food and Agriculture Act of 1962. This bill was received only today from the House of Representatives; and, first, I ask that the bill be read twice.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senate will now proceed to the consideration of House bill 13241, to amend section 309 of the Food and Agriculture Act of 1962.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 13241) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3756 will be indefinitely postponed.

Mr. MANSFIELD. Those are all the measures on the calendar which I wish to ask the Senate to consider at this time.

CONSERVATION NEWS CITES NATIONAL WILDLIFE FEDERATION'S BASIC PURPOSE OF ESTABLISHING AND MAINTAINING NATIONAL PARKS

Mr. YARBOROUGH. Mr. President—

Mr. HUMPHREY. Mr. President, how much time does the Senator from Texas wish?

Mr. YARBOROUGH. One minute.

Mr. HUMPHREY. I yield 1 minute to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, the Conservation News, a publication of the National Wildlife Federation, recently published a series of excellent articles dealing with the purpose and some of the problems of national parks.

Since this 87th Congress has established a record by legislation authorizing three national seashore recreational areas, opening up vast new areas to permanent public use, this article in the Conservation News will, I am sure, be of interest to my colleagues.

The three national seashore recreational areas established by this Congress are Point Reyes in California, Cape Cod in Massachusetts, and Padre Island, off the Texas Gulf Coast. The most recent of these to be approved was my bill for a national seashore recreational area on 80.5 miles of Padre Island.

Because of the interest in national parks and the concern of this 87th Congress over the need for preserving recreational areas for this and future generations and because of the difference in national parks, national seashore recreational areas, and national military parks, I ask unanimous consent to have printed in the RECORD an article, captioned "National Parks—A National Issue" from the October 1, 1962, edition of Conservation News.



Public Law 87-832
87th Congress, H. R. 946
October 15, 1962

An Act

76 STAT. 958.

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out "farmers or ranchers" and inserting "farmers, ranchers, or oyster planters" and by striking out "farming or ranching" and inserting "farming, ranching, or oyster planting".

Oyster planters.
Disaster loans.
75 Stat. 311.
7 USC 1961.

Approved October 15, 1962.

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